U.S. Oil and Gas Plc

Annual Report and Financial Statements

for the year ended 30 September 2014

U.S. Oil and Gas Plc

Contents

U.S. Oil and Gas Plc

Directors and other information

Directors	Brian McDonnell (Chief Executive Officer / Chairman) Paul O'Callaghan (Non Executive Officer) Peter Whelan (Non Executive Officer) Karim Akrawi (Non Executive Officer)
Registered Office & Business Address	Alexandria House The Sweepstakes Ballsbridge Dublin 4
Secretary	Brian McDonnell
Auditors	LHM Casey McGrath Limited Chartered Certified Accountants Statutory Audit Firm 6 Northbrook Road Dublin 6
Bankers	Bank of Ireland Phibsborough Dublin 7 Bank of America 401 Virginia St. Reno NV 89501
Solicitors	Byrne Wallace 87-88 Harcourt Street Dublin 2
Corporate Advisors	Alexander David Securities Limited 45 Moorefields London EC2Y 9AE
Registered Number	471932 Republic of Ireland
Date of Incorporation	15 June 2009
Website:	www.usoil.us

Chairman's Statement
for the year ended 30 September 2014

The Company is pleased to report its final results for the year ended 30 September, 2014.

Operational Highlights
- Geophysical and geochemical survey of the full acreage
- Field Development Plan
- 3D basin modelling study
- Drill targeting study
- Consolidation of an online Data Room

Corporate Highlights
- Continuing dialogue with partners
- Suspension by GXG Markets

Financial Highlights

- Administration expenses $492k (2013: $1,601k). The decrease in expenditure was primarily due to reduced exploration activity over the period and reduced legal and professional fees.
- Total comprehensive loss $492k (2013: $1,599k); and cash and cash equivalents $520k (2013: $986k). As a result of VAT refunds the cash and cash equivalents on hand as at 31 December 2014 amount to just over $358K. The Company is debt-free.
- A detailed cash flow based on present resources indicates that the Company has sufficient working capital for the next 12 months. This sum is excluding a repayable bond of $100,000 lodged with US regulatory authorities to cover possible future well reclamation costs, part or all of which may be recoupable.

Review of the year ended 30 September 2014
The twelve months to 30 September 2014 saw intense activity in both exploration and corporate spheres. Additional data sets were collected on the land acquired in 2012, and a significant marketing effort was undertaken leading to intensive partnership discussions.

On May 23, 2013, the Company announced the findings of an independent Competent Person's Report (CPR) prepared by Forrest Garb & Associates (FGA). Although the Eblana-1 well was not commercial, it did establish the presence of hydrocarbons. Best Estimate (P50) of Total Prospective Recoverable oil for the Company's full acreage was 57.2 million barrels. Contingent Recoverable oil for the immediate area of the Eblana #1 well (P50) was estimated at 19.256 million barrels. The High estimate (P10) for the Hot Creek Valley Prospect was 3,342,163 million barrels.

Since the publication of the CPR, we have followed FGA's recommendation that further surveys be undertaken to establish the direction of 'updip' from Eblana-1. In late 2013 and into 2014, the Company undertook a reconnaissance Geochemical survey of its hitherto unsurveyed acreage and carried out Gravity Magnetic and Geochemical surveys of the area around the Eblana #1 well.

Results from the surveys were reported in May 2014. The data collected were used to complete a full geological model of the target area and have provided the structural information required for provisional targeting of the next drills. The data also confirms that the oil reservoir previously identified, and targeted by the Eblana-1 well, extends significantly further South to South West into the Company's acreage. The survey of the wider acreage suggests the possibility of a large-scale field in Hot Creek Valley.

A Field Development Plan was also completed in 2014. The plan modelled exploration and production factors, resource and infrastructure requirements as well as potential economic performance for a number of different development scenarios and has since proved invaluable in discussions with potential industry partners.

Corporate and Planning

The primary focus of the Company's corporate activity has been to establish the strategic partnerships necessary to develop the Hot Creek Valley discovery. The Company engaged in dialogue with several potential partners about farm outs, investments, joint ventures, loans and other options. A comprehensive Data Room was established to facilitate discussions.

Post Balance Sheet Events

Industry Environment

Since the end of this reporting period, the Oil and Gas industry has been shaken by a precipitous fall in the oil price. This followed on from a year in which escalating production costs in the US had already led many Companies to divest themselves of peripheral assets and consolidate their activities in core regions.

Partnership discussions

In spite of a turbulent environment and the GXG Markets suspension (see below), partnership discussions continue.

Drilling programme

As previously announced, drilling activities the Company hoped to carry out in Q4 of 2014 were dependent on partnership and/or further funding being finalised within the required time-frame. Since that did not occur, further drilling was deferred until such time as a partnership or funding agreement is achieved.

GXG Market

On December 15th 2014, trading in the Company's shares was suspended on the GXG Markets. The basis for the suspension, as communicated to the company by GXG Markets, was 'a disorderly market' seemingly connected to letters of complaint, including anonymous letters, internet comment and the breaking of unspecified market rules.

GXG requested that 'clarifications' be sent to them by January 5th 2015. The Company submitted its clarifications on 23 December, 2014, supported by documentation. On February 10, 2015, GXG Markets announced that a Due Diligence Report on US Oil and Gas would be requested. The Board of US Oil and Gas unreservedly welcomes this exercise and hopes that the process is expedited in the interests of the Company and shareholders. The Board expects that the Due Diligence Report will effectively and finally put an end to a sustained campaign of vilification and defamation directed against the Company.

Outlook

Given the unpredictable nature of oil and gas exploration in terms of time and cost, and especially in the light of current industry turbulence, the Board's policy of minimising fixed costs and conserving funds has been entirely vindicated. This approach has placed an enormous burden on the team and has delayed certain desirable developments in terms of recruitment and company infrastructure but has undoubtedly contributed to the company's financial stability to date.

I believe that US Oil & Gas has, in this last period, made excellent progress in a difficult environment. The overriding Company objective remains to drill further wells in Hot Creek Valley, to progress the project towards a commercial find, to move the asset further up the value chain to Proved Reserves, and to further delineate the extent and size of the oil system, and to achieve an industry partnership allowing the further development of the asset.

Brian McDonnell
Chairman

Directors' Report
for the year ended 30 September 2014

The Directors present their Annual Report and the audited consolidated financial statements for the year ended 30 September 2014 for U.S. Oil and Gas PLC ("the Company") and its subsidiary, Major Oil International LLC (collectively "the Group").

Principal Activity
The principal activity of the company is oil and gas exploration and development.

Review of Business and Future Development
A review of activities for the period and future prospects of the Group is contained in the Chairman's Statement.

Principal Risks and Uncertainties
The Group's activities are carried out in North America. Accordingly the principal risks and uncertainties are considered to be the following:

Exploration Risk
Exploration and development activities may be delayed or adversely affected by factors outside the Group's control, in particular; climatic conditions, existence of commercial deposits of oil and gas, unknown geological conditions; remoteness of location; actions of host governments or other regulatory authorities (relating to, inter alia, the grant, maintenance or renewal of any required authorisations, environmental regulations or changes in law).

Commodity Price Risk
The demand for, and price of, oil and gas is dependent on global and local supply and demand, actions of governments or cartels and general global economic and political developments.

Political Risk
The Group may be subject to political, economic and other uncertainties, including but not limited to terrorism, military repression, war or unrest, changes in national laws and energy policies and exposure to less developed legal systems.

Currency Risk
Although the reporting currency is the US dollar (US$), which is the currency most commonly used in the pricing of commodities and for significant exploration and production costs, other expenditure (in particular central administrative costs) and equity funding may be denominated in other currencies, being Euro (€) and Sterling (Stg£) respectively, thus creating currency exposure.

Financial Risk
Financial risk is addressed in Note 18 to these financial statements

Share Price
The share price movement in the period ranged from a low of Stg£0.19 to a high of Stg£1.00.

Share Trading Platform
The company's shares are traded on the GX Markets Multilateral Trading Facility ("MTF") in London.
The company's shares are currently suspended pending an investigation by GXG.

Results and Dividends
The loss for the year after providing for depreciation and taxation amounted to $491,591 (2013 : $1,599,114). All exploration and development costs to date have been deferred and therefore the Directors do not recommend the payment of a final dividend.

U.S. Oil and Gas Plc

Directors' Report
for the year ended 30 September 2014

Directors
In accordance with the Articles of Association, at the next Annual General Meeting to be held Karim Akrawi will retire and being eligible offer himself for re-election.

Directors and Secretary and their Interests
The interests (all of which are beneficial) of the directors and secretary and their families who held office at 30 September 2014 in the share capital of the Company were:

		Ordinary shares	
	27 Feb '15	**30 Sep '14**	**1 Oct '13**
Directors			
Brian McDonnell	3,913,234	3,913,234	3,914,575
Peter Whelan	564,118	564,118	564,118
Karim Akrawi	100,000	100,000	100,000
Paul O'Callaghan	-	-	-
Secretary			
Brian McDonnell	3,913,234	3,913,234	3,914,575

Included in Brian McDonnell's holding is an indirect holding of 140,000 shares through Carrefour Training and Development Ltd., a company of which Brian McDonnell is the controlling shareholder and director.As reported on 23rd May 2014, as part of an agreement entered in in 2009, 1,341 shares in U.S. Oil and Gas plc distributed by Spurt Concepts Ltd as part of the distribution agreement in the name of Brian McDonnell have been distributed to a third party.

Share options in U.S Oil and Gas Plc - Ordinary Shares

	Vested at 1 Oct '13 No.	***Movement during the year No.***	***Vested at 30 Sep '14 No.***
Brian McDonnell	895,000	-	895,000
Peter Whelan	565,000	-	565,000
Karim Akrawi	535,000	-	535,000
Paul O'Callaghan	100,000	-	100,000

Transactions Involving Directors
There have been no contracts or arrangements of significance during the period in which the Directors of the Company were interested other than as disclosed in Notes 15 and 17 to the financial statements.

Significant Shareholders
The Company has been informed that, in addition to the interests of the Directors, as at 30 September 2014 and the date of this report, the following shareholders own 3% or more of the issued share capital of the Company:

	Percentage of Issued share capital	
	27 Feb '15	**30 Sep '14**
Jim Nominees Limited	21.2%	20.84%
Davycrest Nominees	13.7%	14.31%
Aurum Nominees Limited	4,65%	4,65%
Redmayne (Nominees) Ltd	4.34%	4.34%

Goodbody Stock Brokers	3.22%	3.22%

The Directors are not aware of any other holding of 3% or more of the share capital of the Company.

Shares in Treasury
At 30 September 2014 the Company held 717,612 (2013 : 717,612) ordinary shares "in Treasury".

Subsidiary Undertakings
Details of the Company's subsidiary are set out in Note 10 to the financial statements.

Political Donations
The Company did not make any political donations during the period. (2013: $Nil)

Statement of Directors' Responsibilities
The Directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with Irish law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. As permitted by company law, the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU (EU IFRS), as applied in accordance with the provisions of the Companies Acts, 1963 to 2013.

The Group and Company financial statements are required by law and EU IFRS to present fairly the position and performance of the Group and Company. The Companies Acts provide, in relation to such financial statements, that references in the relevant part of the Acts to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing each of the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;

- make judgements and estimates that are reasonable and prudent; and

- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company, and the Group as a whole, will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements

Under applicable law, the Directors are also responsible for preparing a Directors' Report. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013, the European Communities (Companies: Group Accounts) Regulations 1992 and all regulations to be construed as one with those acts.

The Directors are responsible for keeping proper books of accounts that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Acts 1963 to 2013.

They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern
As further discussed in Note 2, the Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review, and having made the appropriate enquiries, are confident that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future.

The future of the company and the group is also dependent on the successful future outcome of it's exploration interests and the availability of future funding to bring these interests to production.

The Directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. Consequently, they consider that it is appropriate to prepare the financial statements on a going concern basis.

Corporate Governance
The Directors are committed to maintaining the highest standards of corporate governance commensurate with the size, stage of development and financial status of the Group.

The Board
The Board is responsible for the supervision and control of the Group and is accountable to the shareholders. The Board has reserved decision-making on a variety of matters, including determining strategy for the Group, reviewing and monitoring executive management performance and monitoring risks and controls.

The Board currently has four Directors, comprising one executive Director and three non-executive Directors. The Board met formally on nine occasions during the year ended 30 September 2014. An agenda and supporting documentation was circulated for these meetings. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experiences in the industry.

Audit Committee
The Audit Committee comprises Paul O'Callaghan and Peter Whelan. It may examine any matters relating to the financial affairs of the Group and the Group's audits. This includes reviews of the annual financial statements and announcements, internal control procedures, accounting procedures, accounting policies, the appointment, independence, objectivity, terms of reference and fees of external auditors and such other related functions as the Board may require.

Remuneration Committee
The Remuneration Committee comprises Karim Akrawi and Peter Whelan. It determines the terms and conditions of employment and annual remuneration of the executive directors. It consults with the Chairman, takes into consideration external data and comparative third party remuneration and has access to professional advice outside the Company.

Directors' Report
for the year ended 30 September 2014

The key policy objectives of the Remuneration Committee in respect of the Company's executive directors and other senior executives are:

- to ensure that individuals are fairly rewarded for their personal contribution to the Company's overall performance; and
- to act as the independent committee ensuring that due regard is given to the interest of the Company's shareholders and to the financial and commercial health of the Company.

Directors' Remuneration during the period ended 30 September 2014 was as follows:

	2014	2013
	$	$
Remuneration and other emoluments - Executive Director	123,848	154,085
Remuneration and other emoluments - Non- Executive Directors	76,000	104,247
Share based payments	-	168,305
	199,848	426,637

Nominations Committee

At present, as the Board of Directors is small, no formal nomination committee has been established. The authority to nominate new Directors for appointment vests in the Board of Directors. All Directors co-opted to the Board during any financial period are subject to election by shareholders at the first opportunity following their appointment. Consideration to setting up a nominations committee is under continuous review.

Internal Control

The Board is responsible for maintaining the Group's system of internal control to safeguard shareholders investments and Group assets.

The Directors have overall responsibility for the Group's system of internal control and have delegated responsibility for the implementation of this system to Executive Management. This system includes financial controls that enable the Board to meet its responsibilities for the integrity and accuracy of the Group's accounting records.

The Group's system of internal financial control provides reasonable, though not absolute assurance that assets are safeguarded, transactions authorised and recorded properly and that material errors or irregularities are either prevented or detected within a timely period. Having made appropriate enquiries, the Directors consider that the system of internal financial, operational and compliance controls and risk management operated effectively during the period covered by the financial statements and up to the date on which the financial statements were signed.

The internal control system includes the following key features, which have been designed to provide internal financial control appropriate to the Group's businesses:

- budgets are prepared for approval by the Board
- expenditure and income are compared to previously approved budgets;
- a detailed investment approval process which requires Board approval of all major capital projects and regular review of the physical performance and expenditure on these projects.
- all commitments for expenditure and payments are compared to previously approved budgets and are subject to approval by personnel designated by the Board of Directors.
- cash flow forecasting is performed on an ongoing basis to ensure efficient use of cash resources.
- the Directors, through the Audit Committee, review the effectiveness of the Group's system of internal financial control.

Accounting records
The measures taken by the Directors to ensure compliance with the requirements of Section 202, Companies Act 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at Alexandria House, The Sweepstakes, Ballsbridge, Dublin 4.

Post Balance Sheet Events
On December 15th 2014, trading in the Company's shares was suspended on the GXG Markets. The basis for the suspension, as communicated to the company by GXG Markets was 'a disorderly market' seemingly connected to letters of complaint, including anonymous letters, internet comment and the breaking of unspecified market rules.

GXG requested that 'clarifications' be sent to them by January 5th 2015. The Company submitted its clarifications on 23 December, 2014, supported by documentation. On February 10, 2015, GXG Markets announced that a Due Diligence Report on US Oil and Gas would be requested. The Board of US Oil and Gas unreservedly welcomes this exercise and hopes that the process is expedited in the interests of the Company and shareholders. The Board expects that the Due Diligence Report will effectively and finally put an end to a sustained campaign of vilification and defamation directed against the Company.

Auditors
LHM Casey McGrath resigned as auditors and the directors appointed LHM Casey McGrath Limited to fill the vacancy. The auditors LHM Casey McGrath Limited have indicated their willingness to continue in office in accordance with section 160(2) of the Companies Act 1963.

On behalf of the board

______________________	______________________
Brian McDonnell	**Peter Whelan**

Independent Auditors' Report to the Shareholders of U.S. Oil and Gas Plc

We have audited the group financial statements of U.S. Oil and Gas Plc for the year ended 30 September 2014 which comprise of the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statements of Changes in Equity, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and related notes. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with provisions of the Companies Acts 1963 to 2013.

This report is made solely to the Company's members, as a body, in accordance with the requirements of Section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 7 the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the group financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statement sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed: the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatement's or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the group financial statements:

- give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the groups affairs as at 30 September 2014 and of its loss and cash flows for the year then ended; and

- the parent company statement of financial position has been properly prepared in accordance with IFRS's as adapted by the European Union; and

- have been properly prepared in accordance with requirements of the Companies Acts 1963 to 2013 and, as regards the group financial statements, Article 4 IAS Regulation.

Independent Auditors' Report to the Shareholders of U.S. Oil and Gas Plc

.... continued

Emphasis of Matter - Going concern and carrying value of exploration and evaluation assets
In forming our opinion on the financial statements, which is not modified, we considered:
(a) the adequacy of disclosures made in Note 9 to the financial statements in relation to the Directors' assessment of the carrying value of the Group's deferred exploration costs amounting to €5,173,729
(b) the adequacy of the disclosures made in Note 2 to the financial statements concerning the Group's ability to continue as a going concern. The Group incurred a net loss of £491,591 for the year ended 30th September 2014.

These conditions indicate the existence of material uncertainty which may cast doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Matters on which we are required to report by the Companies Acts 1963 to 2013
- We have obtained all the information and explanations which we considered necessary for the purpose of our audit
- In our opinion proper books of account have been kept by the parent company
- In our opinion the information given in the directors' report is consistent with the financial statements and the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the process for preparing the group financial statements is consistent with the group financial statements.
- The net assets of the parent company, as stated in the parent company statement of financial position are more than half of the amount of its called-up share capital and in our opinion, on that basis there did not exist at 30th September 2014 a financial situation which under Section 40(1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the parent company.

Matters on which we are required to report by exception:
We have nothing to report in respect of the following:
Under the ISA's (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:
- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- is otherwise misleading

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statements that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

Fergal McGrath
Statutory auditor
For and on behalf of

LHM Casey McGrath Limited

Chartered Certified Accountants
Statutory Audit Firm
6 Northbrook Road, Dublin 6, Ireland.

Date: 27 February 2015

U.S. Oil and Gas Plc

Consolidated Statement of Comprehensive Income
for the year ended 30 September 2014

	Notes	30 Sep '14 $	30 Sep '13 $
Continuing Operations			
Administrative expenses		**(492,025)**	(1,600,536)
Operating loss		**(492,025)**	(1,600,536)
Finance Income	5	**434**	1,422
Loss for the year before taxation	4	**(491,591)**	(1,599,114)
Income tax expense	7	**-**	-
Loss for the year from continuing operations		**(491,591)**	(1,599,114)
Other Comprehensive Income		**-**	-
Total Comprehensive Loss for the year		**(491,591)**	(1,599,114)
Loss attributable to:			
Equity holders of the Company		**(491,591)**	(1,599,114)
Total Comprehensive Loss attributable to:			
Equity holders of the Company		**(491,591)**	(1,599,114)
Earnings per share from continuing operations			
Basic and diluted loss per share (cent)	8	**(1.13)**	(3.84)

All activities derive from continuing operations. All losses and total comprehensive loss for the year and the preceding year are attributable to the owners of the company.

The company has no recognised gains or losses other than those dealt with in the statement of comprehensive income.

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 27 February 2015 and signed on its behalf by:

Brian McDonnell
Director

Peter Whelan
Director

U.S. Oil and Gas Plc

Consolidated Statement of Changes in Equity
for the year ended 30 September 2014

	Share Capital	Share Premium	Share Based payment Reserve	Retained Losses	Total
	$	$	$	$	$
Balance at 1 October 2012	5,670	9,742,553	-	(2,344,208)	7,404,015
Total comprehensive income for the year					
Loss for the period	-	-	-	(1,599,114)	(1,599,114)
Total comprehensive income for the year	-	-	-	(1,599,114)	(1,599,114)
Transactions with owners, recorded directly in equity					
Shares issued	-	-	168,305	-	168,305
Total transactions with owners	-	-	168,305	-	168,305
Balance at 30 September 2013	5,670	9,742,553	168,305	(3,943,322)	5,973,206
Balance at 1 October 2013	5,670	9,742,553	168,305	(3,943,322)	5,973,206
Total comprehensive income for the year					
Loss for the year	-	-	-	(491,591)	(491,591)
Total comprehensive income for the year	-	-	-	(491,591)	(491,591)
Transactions with owners, recorded directly in equity					
Shares issued	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
Balance at 30 September 2014	**5,670**	**9,742,553**	**168,305**	**(4,434,913)**	**5,481,615**

Net equity is attributable to the holders of the ordinary shares in the Group.

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the board of Directors on 27 February 2015 and signed on its behalf by

Brian McDonnell
Director

Peter Whelan
Director

U.S. Oil and Gas Plc

Company Statement of Changes in Equity
for the year ended 30 September 2014

	Share Capital	Share Premium	Share Based Payment Reserve	Retained Losses	Total
	$	$	$	$	$
Balance at 1 October 2012	5,670	9,742,553	-	(1,666,996)	8,081,227
Total comprehensive income for the year					
Loss for the period	-	-	-	(1,059,717)	(1,059,717)
Total comprehensive income for the year	-	-	-	(1,059,717)	(1,059,717)
Transactions with owners, recorded directly in equity					
Shares issued	-	-	168,305	-	168,305
Total transactions with owners	-	-	168,305	-	168,305
Balance at 30 September 2013	5,670	9,742,553	168,305	(2,726,713)	7,189,815
Balance at 1 October 2013	5,670	9,742,553	168,305	(2,726,713)	7,189,815
Total comprehensive income for the year					
Loss for the year	-	-	-	(287,706)	(287,706)
Total comprehensive income for the year	-	-	-	(287,706)	(287,706)
Transactions with owners, recorded directly in equity					
Shares issued	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
Balance at 30 September 2014	**5,670**	**9,742,553**	**168,305**	**(3,014,419)**	**6,902,109**

Net equity is attributable to the holders of the ordinary shares in the Group.

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the board of Directors on 27 February 2015 and signed on its behalf by

Brian McDonnell
Director

Peter Whelan
Director

U.S. Oil and Gas Plc

Consolidated Statement of Financial Position
as at 30 September 2014

	Notes	**30 Sep '14** **$**	**30 Sep '13** **$**
Assets			
Non-Current Assets			
Intangible Assets	9	**5,173,729**	5,089,878
Total Non-Current Assets		**5,173,729**	5,089,878
Current Assets			
Trade and other receivables	11	**74,861**	187,416
Cash and cash equivalents	12	**519,240**	985,985
Total Current Assets		**594,101**	1,173,401
Total Assets		**5,767,830**	6,263,279
Equity			
Capital and Reserves			
Share capital	14	**5,670**	5,670
Share premium	14	**9,742,553**	9,742,553
Share based payments reserve	15	**168,305**	168,305
Retained Loss	16	**(4,434,913)**	(3,943,322)
Attributable to owners of the Company		**5,481,615**	5,973,206
Total Equity		**5,481,615**	5,973,206
Liabilities			
Current Liabilities			
Trade and other payables	13	**286,215**	290,073
Total Current Liabilities		**286,215**	290,073
Total Liabilities		**286,215**	290,073
Total Equity and Liabilities		**5,767,830**	6,263,279

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 27 February 2015 and signed on its behalf by:

Brian McDonnell
Director

Peter Whelan
Director

U.S. Oil and Gas Plc

Company Statement of Financial Position
as at 30 September 2014

	Notes	**30 Sep '14 $**	**30 Sep '13 $**
Assets			
Non-Current Assets			
Investments in Subsidiaries	10	**14**	14
Total Non-Current Assets		**14**	14
Current Assets			
Trade and other receivables	11	**6,632,567**	6,533,125
Cash and cash equivalents	12	**445,749**	905,963
Total Current Assets		**7,078,316**	7,439,088
Total Assets		**7,078,330**	7,439,102
Equity			
Capital and Reserves			
Share capital	14	**5,670**	5,670
Share premium	14	**9,742,553**	9,742,553
Share based payments reserve	15	**168,305**	168,305
Retained Loss	16	**(3,014,419)**	(2,726,713)
Attributable to owners of the Company		**6,902,109**	7,189,815
Total Equity		**6,902,109**	7,189,815
Liabilities			
Current Liabilities			
Trade and other payables	13	**176,221**	249,287
Total Current Liabilities		**176,221**	249,287
Total Liabilities		**176,221**	249,287
Total Equity and Liabilities		**7,078,330**	7,439,102

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 27 February 2015 and signed on its behalf by:

Brian McDonnell
Director

Peter Whelan
Director

U.S. Oil and Gas Plc

Consolidated Statement of Cash Flows
for the year ended 30 September 2014

	Note	30 Sep '14 $	30 Sep '13 $
Cash flows from operating activities			
Loss for the year before taxation		**(492,025)**	(1,600,536)
Movement in working capital			
Share based payments		**-**	168,305
Movement in trade and other receivables		**112,555**	106,936
Movement in trade and other payables		**(3,858)**	(65,193)
Cash used in operations		**(383,328)**	(1,390,488)
Cash flows from financing activities			
Proceeds of issue of share capital	14	**-**	-
Net cash generated from financing activities		**-**	-
Cash flows from investing activities			
Interest received		**434**	1,422
Expenditure on intangible assets	9	**(83,851)**	(1,142,679)
Net cash used in investing activities		**(83,417)**	(1,141,257)
Movement in cash and cash equivalents		**(466,745)**	(2,531,745)
Cash and Cash Equivalents at the beginning of year	12	**985,985**	3,517,730
Cash and Cash Equivalents at end of year	12	**519,240**	985,985

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 27 February 2015 and signed on its behalf by:

Brian McDonnell
Director

Peter Whelan
Director

U.S. Oil and Gas Plc

Company Statement of Cash Flows
for the year ended 30 September 2014

	Notes	30 Sep '14 $	30 Sep '13 $
Cash flows from operating activities			
Loss for the year before taxation		**(287,706)**	(819,912)
Movement in working capital			
Movement in trade and other receivables		**(99,442)**	(1,166,474)
Movement in trade and other payables		**(73,066)**	(94,972)
Cash used in operations		**(460,214)**	(2,081,358)
Cash flows from financing activities			
Proceeds from issue of share capital	14	**-**	-
Net cash generated from financing activities		**-**	-
Cash flows from investing activities			
Net cash used in investing activities		**-**	-
Movement in Cash and Cash Equivalents		**(460,214)**	(2,081,358)
Cash and Cash equivalents at beginning of the year	12	**905,963**	2,987,321
Cash and Cash equivalents at end of year	12	**445,749**	905,963

The accompanying notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 27 February 2015 and signed on its behalf by:

Brian McDonnell
Director

Peter Whelan
Director

1. Statement of Accounting Policies

U.S. Oil and Gas PLC ("the Company") is a company incorporated in Ireland. The Group financial statements consolidate those of the Company and its subsidiary (together referred to as the "Group").

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and by all group entities.

Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's) as adopted by the EU.

The financial statements have been prepared on the historical cost basis. The accounting policies have been applied consistently by Group entities.

Statement of Compliance

As permitted by the European Union, the Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU (IFRS). The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the IFRSs as adopted by the EU and as applied in accordance with the Companies Acts, 1963 to 2013 which permits a company that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act, 1963, from presenting to its members its Company Statement of Comprehensive Income and related notes that form part of the approved Company financial statements.

The IFRSs adopted by the EU as applied by the Company and the Group in the preparation of these financial statements are those that were effective on or before 30 September 2014.

Standards and amendments to existing standards effective 1 October 2013

The following standards, amendments and interpretations which became effective during the year are of relevance to the Group:

Standard	**Content**
IFRS 10	Consolidated financial statements
IFRS 11	Joint arrangements
IFRS 12	Disclosures of interests in other entities
IFRS 13	Fair value measurement
IFRS 19R	Employee benefits
IAS 27	Separate Financial Statements
IFRS 7	Disclosures - Offsetting financial assets and liabilities

.... continued

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

Standard/ Interpretation	Content	Effective Date
IFRS 2	Share Based Payment	1 July 2014
IFRS 3	Business Combinations	1 July 2014
IFRS 7	Financial Instruments: Disclosures	1 January 2016
IFRS 8	Operating Segments	1 July 2014
IFRS 9	Financial Instruments	1 January 2018
IFRS 10	Consolidated Financial Statements	1 January 2014 / 1 January 2016
IFRS 11	Joint Arrangements	1 January 2016
IFRS 12	Disclosures of Interests in Other Entities	1 January 2014
IFRS 13	Fair Value Measurement	1 July 2014
IAS 16	Property, Plant and Equipment	1 July 2014
IAS 19	Employee Benefits	1 July 2014
IAS 24	Related Party Disclosures	1 July 2014
IAS 27	Consolidated and separate financial statements	1 January 2014 / 1 January 2016
IAS 32	Financial Instruments: Presentation	1 January 2014
IAS 38	Intangible Assets	1 July 2014 / 1 January 2016

In the year ended 30 September 2014, the Group did not early adopt any new or amended standards and do not plan to early adopt any of the standards issued but not yet effective.

IFRS 2 Share Based Payment
The Group approved a share option plan as an incentive to certain key management and staff (including Directors). The fair value of the share options granted to the directors and employees under the Companies share option scheme is recognised as an expense with a corresponding credit to the share based payment reserve. The fair value is measured at grant date and spread over the period during which the awards vest.

Functional and Presentation Currency
The consolidated financial statements are presented in US Dollars ($), which is the Company's functional currency.

Use of Estimates and Judgements
The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following areas:

Note 9 - Intangible asset; measurement of impairment

Note 7 - Deferred Tax; utilisation of tax losses

Revenue Recognition - Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of U.S. Oil and Gas PLC and its subsidiary undertaking for the year ended 30 September 2014.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intragroup balances and any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements.

In the Company's own balance sheet, investments in subsidiaries are stated at cost less provisions for any permanent diminution in value.

Intangible Assets

In accordance with International Financial Reporting Standard 6 - Exploration for and Evaluation of Mineral Resources, the Group uses the cost method of recognition. Exploration costs include licence costs, survey, geophysical and geological analysis and evaluation costs, costs of drilling and project-related overheads.

Exploration expenditure in respect of properties and licences not in production is capitalised and is carried forward in the balance sheet under intangible assets in respect of each area of interest where:-

(i) the operations are ongoing in the area of interest and exploration or evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; or

(ii) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its realisation.

When the Directors decide that no further expenditure on an area of interest is worthwhile, the related expenditure is written off or down to an amount which it is considered represents the residual value of the Group's interest therein.

Impairment

.... continued

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the assets' recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that is expected to generate cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Statement of Comprehensive Income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit and loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or equity respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividends is recognised.

Foreign Currencies

Monetary assets and liabilities denominated in a foreign currency are translated into US Dollars at the exchange rate ruling at the balance sheet date, unless specifically covered by foreign exchange contracts whereupon the contract rate is used. Revenues, costs and non monetary assets are translated at the exchange rates ruling at the dates of the transactions. All exchange differences are dealt with through the Statement of Comprehensive Income.

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On consolidation, the assets and liabilities of overseas subsidiaries are translated into US Dollars at the rates of exchange prevailing at the balance sheet date. Exchange differences arising from the restatement of the opening balance sheets of these subsidiary Companies are dealt with through reserves. The operating results of overseas subsidiary Companies are translated into US Dollars at the average rates applicable during the year.

Share capital
Incremental costs directly attributable to the issue of ordinary shares are recognised as a reduction in equity.

Earnings per share
The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Financial Instruments
Cash and Cash Equivalents
Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

Trade and Other Receivables / Payables
Trade and other receivables and payables are stated at cost less impairment, which approximates fair value given the short dated nature of these assets and liabilities.

Finance Income
Finance income comprises interest income on funds invested and foreign currency gains. Interest income is recognised as the interest accrues using the effective interest rate method to the net carrying amount of the financial asset.

Segmental Information
In accordance with IFRS 8: Operating Segments, the Group has one principle reportable segment which is the Group's strategic business unit, which represents the exploration for oil and gas in the United States.

Other operations includes cash resources held by the Group, interest income earned and other operational expenditure incurred by the Group, which have been allocated to the United States.

Financial Assets - Investment in Subsidiaries
Investments in subsidiaries are stated at cost and are reviewed for impairment if there are indications that the carrying value may not be recoverable.

2. Going Concern

The financial statements have been prepared on the going concern basis, which assumes that U.S. Oil and Gas PLC will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the following:

1) The raising of additional finance to fund the exploration programme and the administrative expenses of the Company and the Group.

2) The successful development or disposal of Oil and Gas rights in the Groups Licence area of North America as detailed in Note 9. This is dependent on several variables including the existence of commercial deposits of oil and gas, availability of finance and the price of oil and gas.

The financial statements do not include any adjustments that would result if the development or disposal of oil and gas was not successful, and if the required additional finance was not secured. Whilst taking into consideration the uncertainties described above, the Directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

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3. Segment Information

In the opinion of the Directors the operations of the group comprise one class of business, being the exploration and development of oil and gas. The group's main operations are located within the United States. The information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment is specifically focused on the exploration areas in the United States. In the opinion of the Directors the Group has only one reportable segment under IFRS 8 'Operating Segments,' which is exploration carried out in the United States.

Information regarding the Group's reportable segments is presented below.

Segment Revenues and Results
The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Segment Revenue		**Segment Loss**	
	30 Sep '14	**30 Sep '13**	**30 Sep '14**	**30 Sep '13**
	$	**$**	**$**	**$**
Exploration - United States	-	-	**(492,025)**	(1,600,536)
Total for continuing operations	-	-	**(492,025)**	(1,600,536)
Investment income			**434**	1,422
Loss before tax (continuing operations)			**(491,591)**	(1,599,114)
Income tax expense			**-**	-
Loss after tax			**(491,591)**	(1,599,114)

Segment assets and liabilities

Segment Assets	**30 Sep '14**	**30 Sep '13**
	$	**$**
Exploration - United States	**5,767,830**	6,263,279
Consolidated assets	**5,767,830**	6,263,279
Segment Liabilities		
Exploration - United States	**286,215**	290,073
Consolidated liabilities	**286,215**	290,073

.... continued

Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	30 Sep '14	**30 Sep '13**	**30 Sep '14**	**30 Sep '13**
	$	**$**	**$**	**$**
Exploration - United States	-	-	**83,851**	1,142,679

Revenue from major products and services
The Group did not receive any revenue from external customers in the current or prior year.

Geographical information
The Group operates in two principal geographical areas - Republic of Ireland (country of residence of U.S. Oil and Gas PLC) and the United States (country of residence of Major Oil International LLC, a wholly owned subsidiary of U.S. Oil and Gas PLC).

The Group does not have revenue from external sources. Information about its non-current assets by geographical location are detailed below:

	Non-Current Assets	
	30 Sep '14	**30 Sep '13**
	$	**$**
Ireland	**-**	-
United States	**5,173,729**	5,089,878
	5,173,729	5,089,878

.... continued

4. Statutory Information

	30 Sep '14	30 Sep '13
Group	**$**	**$**
The loss for the financial period is stated after charging:		
Loss for financial year in the Group	**491,591**	1,599,114
Auditors' remuneration	**27,136**	25,900
Auditors' remuneration from non-audit work	**11,556**	7,000
and after crediting:		
(Gain) / loss on foreign currencies	**(207,062)**	156,637

	30 Sep '14	30 Sep '13
Company		
The loss for the financial period is stated after charging:		
Loss for financial year in the Company	**287,706**	819,912
(Gain)/Loss on foreign currencies	**(373,711)**	183,639
Auditors' remuneration	**27,136**	25,900
Auditors' remuneration from non-audit work	**11,556**	7,000

As permitted by Section 148(8) of the Companies Act 1963, the Company Statement of Consolidated Income has not been separately disclosed in these financial statements.

5. Finance Income: Continuing Operations

	30 Sep '14	30 Sep '13
	$	**$**
Interest Revenue:		
Bank deposits	**434**	1,422
	434	1,422

6. Employees

Number of employees
The average monthly numbers of employees (including the directors) during the year were:

	30 Sep '14 Number	30 Sep '13 Number
Directors	**4**	4
	4	4

Employment costs (Including directors)

	30 Sep '14	30 Sep '13
Wages and salaries	**189,786**	250,648
Social welfare costs	**10,062**	7,684
Share based payments	**-**	168,305
	199,848	426,637

6.1. Directors' emoluments

	30 Sep '14 $	30 Sep '13 $
Remuneration and other emoluments	**199,848**	426,637
	199,848	426,637

7. Income Tax Expense

	30 Sep '14 $	30 Sep '13 $
Current tax		
Current tax expense in respect of the current year	**-**	-
Total tax expense	**-**	**-**

The income tax expense for the year can be reconciled to the accounting loss as follows:

	30 Sep '14 $	30 Sep '13 $
Loss from continuing operations	**(491,591)**	(1,599,114)
Income Tax expense calculated at Irish corporation tax rate of 12.5% (2013 : 12.5%)	**(61,449)**	(199,889)
Effects of:		
Investment Income taxable at a different rate	**54**	178
Losses available to carry forward	**61,395**	199,711
Income tax expense recognised	-	-

The tax rate used for the year end reconciliations above is the corporate rate of 12.5% payable by corporate entities in Ireland on taxable profits under tax law in the jurisdiction of Ireland.

At the Statement of Financial Position date, the Group had unused tax losses of $ 4,198,721 (2013 : $ 3,728,745) available for offset against future profit which equates to a deferred tax asset of $ 524,840 (2013 : $ 466,093). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

.... continued

8. Loss per share

Basic earnings per share
The basic and weighted average number of ordinary shares used in the calculation of basic earning per share are as follows:

	30 Sep '14	**30 Sep '13**
	$	**$**
Loss for the year attributable to equity holders of the parent	**(491,591)**	(1,599,114)
Number of ordinary shares in issue - start of year	**41,682,356**	41,682,356
Effects of share issued during the year	**-**	-
Weighted average number of ordinary shares for the purposes of basic earnings per share:	**41,682,356**	41,682,356
Basic loss per ordinary share (cent)	**(1.18)**	(3.84)

Diluted earnings per share
There is no dilutive effect of share options on the basic loss per share.

.... continued

9. Intangible assets - Group

	30 Sep '14	30 Sep '13
	$	**$**
Cost	**5,173,729**	5,089,878
Accumulated amortisation and impairment	-	-
	5,173,729	5,089,878

Exploration and Evaluation Assets

	30 Sep '14	30 Sep '13
Cost	**$**	**$**
At 1 October 2013	**5,089,878**	3,947,199
Additions	**83,851**	1,142,679
At 30 September 2014	**5,173,729**	5,089,878

The Directors have considered expenditure on exploration and evaluation activities which have been capitalised and carried at historical cost. No amortisation has been charged in the period. The directors have reviewed the carrying value of the exploration and evaluation expenditure and consider it to be fairly stated and not impaired at 30 September 2014. 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.

.... continued

10. Financial assets - Company

	30 Sep '14	30 Sep '13
	$	$
Group undertakings - unlisted:		
Shares at cost	**14**	14

	Subsidiary Undertakings Shares	Total
Cost	$	$
At 1 October 2013	**14**	14
Additions	-	-
At 30 September 2014	**14**	14
Net book values		
At 30 September 2014	**14**	14
At 30 September 2013	**14**	14

In the opinion of the directors' the carrying value of the investment is appropriate.

At 30 September 2014 the company had the following subsidiary undertaking:

			Proportion of ownership	
Name	**Incorporated in**	**Main Activity**	**30 Sep '14**	**30 Sep '13**
Major Oil International LLC	Texas, U.S.A.	Petroleum and gas exploration	100%	100%

The aggregate capital and reserves and results from this undertaking for the last relevant financial year was as follows:

	Capital and reserves	Loss for the year
	$	$
Major Oil International LLC	(1,414,292)	(208,773)

11. Trade and other receivables

	Group 30 Sep '14 $	Group 30 Sep '13 $	Company 30 Sep '14 $	Company 30 Sep '13 $
Amounts falling due within one year:				
Amounts owed by group undertakings	**-**	-	**6,581,420**	**6,356,420**
Other debtors	**70,003**	182,558	**51,147**	**176,705**
Prepayments and accrued income	**4,858**	4,858	**-**	**-**
	74,861	187,416	**6,632,567**	6,533,125

12. Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Statement of Financial Position as follows:

	Group 30 Sep '14 $	Group 30 Sep '13 $	Company 30 Sep '14 $	Company 30 Sep '13 $
Cash at bank	**518,796**	985,985	**445,603**	905,963
Petty cash	**444**	-	**146**	-
	519,240	985,985	**445,749**	905,963

.... continued

13. Trade and other payables

	Group 30 Sep '14 $	Group 30 Sep '13 $	Company 30 Sep '14 $	Company 30 Sep '13 $
Trade payables	**154,064**	98,074	**117,763**	57,288
Other taxes and social welfare costs	**20,402**	32,769	**20,402**	32,769
Directors Accounts	**3,122**	60,869	**3,121**	60,869
Other creditors	**4,610**	1,125	**105**	1,125
Accruals and deferred income	**104,017**	97,236	**34,830**	97,236
	286,215	290,073	**176,221**	249,287

Some trade creditors had reserved title to goods supplied to the company. Since the extent to which such creditors are effectively secured depends on a number of factors and conditions, some of which are not readily determinable, it is not possible to indicate how much of the above amount is secured under reservation of title.

Other taxes and social welfare costs:	Group 30 Sep '14 $	30 Sep '13 $	Company 30 Sep '14 $	30 Sep '13
P.A.Y.E./P.R.S.I.	**20,402**	32,769	**20,402**	32,769
	20,402	32,769	**20,402**	32,769

14. Share capital

	30 Sep '14 $	30 Sep '13 $
Authorised		
20,000,000,000 Ordinary shares of €0.0001 each	**2,854,400**	2,854,400
	2,854,400	2,854,400

Issued, called up and fully paid:

	No. of issued Shares	Share Capital $	Share Premium $
At 30 September 2012	41,682,356	5,670	9,742,553
Shares issued	-	-	-
At 30 September 2013	41,682,356	5,670	9,742,553
Shares issued	-	-	-
At 30 September 2014	**41,682,356**	**5,670**	**9,742,553**

The issued share capital of the company at 30 September 2014 comprised of 41,682,356 ordinary shares of €0.0001 each issued and fully paid of which 717,612 are held as treasury shares (30 September 2013 : 41,682,356 issued and fully paid of which 717,612 were treasury shares)

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time.

The shareholders have all voting powers and full voting rights as permitted under the applicable company laws.

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15. Share-based payments

Share option plan

The Group has an ownership based compensation scheme for directors and senior employees of the Group. In accordance with the provisions of the plan, as approved by shareholders at a previous general meeting, directors and senior employees may be granted options to purchase ordinary shares.

Shares which are issued under this Plan will rank equally in all respects with the Shares then in issue, except that they shall not rank for any right attaching to Shares by reference to a record date preceding the exercise of the Award. The Participant will be entitled to receive any dividends and to exercise voting rights at general meetings of the Company in respect of Shares.

There were no Options exercised at the end of the financial year 30 September 2014.

On 22 November 2012, the Board agreed to award 2,455,000 shares at prices of £0.65 and £0.68. The meeting of the Company's Remuneration Committee confirming the awards was held on 23 January 2013. The options were awarded to service providers, consultants and Directors.

Costs associated with options issued during the year

The group recognised the following expense related to equity settled share based payment transactions:

	2014	2013
	$	$
Share based payments	-	168,305

Options issued during the year have been valued using the following inputs to the Black-Scholes model:

	2014	2013
Share price when options issued	-	£0.31
Expected volatility	-	40%
Expected life	-	5 Years
Risk free rate	-	1%
Expected dividends	-	Zero

Details of the options awarded to Directors are as follows:

Name	Number of Options Awarded	Price	Last Exercise Date
Brian McDonnell	895,000	STG 0.65p	22 November 2017
Peter Whelan	565,000	STG 0.65p	22 November 2017
Karim Akrawi	535,000	STG 0.65p	22 November 2017
Paul O'Callaghan	100,000	STG 0.68p	22 November 2017

.... continued

The following reconciles the outstanding share options granted under the employee share option plan at the beginning and at the end of the year

	2014 **Number of options**	**Weighted average exercise price**	2013 Number of options	Weighted average exercise price
Balance at beginning of financial year	**2,455,000**	**Stg£0.654**	-	-
Granted during the year	-	-	2,455,000	Stg£0.654
Exercised during the year	-	-	-	-
Balance at Year End	**2,455,000**	**Stg£0.654**	2,455,000	Stg£0.654

16. Retained Losses

	Group 30 Sep '14 $	**Group 30 Sep '13 $**	**Company 30 Sep '14 $**	**Company 30 Sep '13 $**
Loss at beginning of year	(3,943,322)	(2,344,208)	(2,726,713)	(1,666,996)
Loss for the year	(491,591)	(1,599,114)	(287,706)	(1,059,717)
Loss at end of year	**(4,434,913)**	(3,943,322)	**(3,014,419)**	(2,726,713)

In accordance with the provisions of the Companies (Amendment) Act 1986, the Company has not presented an Income Statement. A loss of €287,706 (2013€819,912) for the year has been dealt with in the Statement of Comprehensive Income of the Company.

17. Related party transactions

Details of subsidiary undertakings are shown in Note 10. In accordance with International Accounting Standard 24 - Related Party Disclosures, transactions between group entities that have been eliminated on consolidation are not disclosed.

Captive Audience Display Solutions Plc ("Captive")
Brian McDonnell is a director of U.S. Oil and Gas PLC and was a director of Captive. At 1 October 2013 Captive were owed $23,393 by U.S. Oil and Gas PLC. The movement in the exchange rate at the 31 September 2014 results in the balance owed at 30 September 2014 to Captive being $21,796 by U.S. Oil and Gas PLC.

PetroHit Corporation
Karim Akrawi is a director of U.S. Oil and Gas Plc and is also a director of PetroHit Corporation. At 1 October 2013 U.S. Oil and Gas Plc owed an amount of $Nil to PetroHit Corporation. During the year U.S. Oil and Gas Plc were invoiced €28,000 in respect of consultancy services and expenses incurred. U.S. Oil and Gas Plc paid all amounts outstanding in full. At 30 September 2014 U.S. Oil and Gas Plc owed $Nil to PetroHit Corporation.

Brian McDonnell
Brian McDonnell is a director of U.S. Oil and Gas Plc. At the 30th September 2014 Brian was owed salary and expenses in the amount of $3,122 (30th September 2013 $57,869)

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18. Financial Instruments and Financial Risk Management

The Group and Company's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations.

It is, and has been throughout 2014 and prior years, the Group and Company's policy that no trading in derivatives be undertaken.

The main risks arising from the Group and Company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

Foreign currency risk
The Group undertakes certain transactions denominated in foreign currencies. Hence, exposure to exchange rate fluctuations arise. Exchange rate exposure is managed within approved policy parameters utilising forward exchange contracts where appropriate. The exposure to exchange rate fluctuations is limited to exchange rate variances between the Euro, US Dollar and Sterling.

At the period ended 30 September 2014, the Group had no outstanding forward exchange contracts.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As the Group does not, as yet, have any sales to third parties, this risk is limited.

The Group and Company's financial assets comprise receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Group and Company's exposure to credit risk arises from default of a counterparty, with a maximum exposure equal to the carrying amount of cash and cash equivalents in its consolidated balance sheet.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are connected entities.

Liquidity risk management
Liquidity risk is the risk that the Group will not have sufficient funds to meet liabilities. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group and Company's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group. To date, the Group has relied on shareholder funding to finance its operations. The Group had no borrowing facilities at 30 September 2014.

The Group and Company's financial liabilities as at 30 September 2014 were all payable on demand.

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The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 30 September 2014 was less than one month.

The Group expects to meet its' other obligations from operating cash flows with an appropriate mix of funds and equity instruments.

The Group had no derivative financial instruments as at 30 September 2014.

Interest rate risk
The Group and Company's exposure to the risk of changes in market interest rates relates primarily to the Group and Company's holdings of cash and short term deposits.

It is the Group and Company's policy as part of its disciplined management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the period ended 30 September 2014. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values
The carrying amount of the Group and Company's financial assets and financial liabilities is a reasonable approximation of the fair value.

Hedging
At the year ended 30 September 2014 and 30 September 2013, the Group had no outstanding contracts designated as hedges.

19. Approval of financial statements

The financial statements were approved by the board on 27 February 2015.