For Immediate Release, 7am

18 September 2012

LENI GAS AND OIL PLC
("LGO" or the "Company")

Unaudited Interim Results

Leni Gas and Oil plc, the oil and gas production company with assets in Spain, US Gulf Coast, Trinidad and Malta, today announces its unaudited results for the six month period ending 30 June 2012.

HIGHLIGHTS

FINANCIALS

- Revenue for period £1,753,000 (1H 2011 £1,509,000).
- Gross profit for period of £330,000 (1H 2011 £353,000).
- Pre-tax group loss for period of £971,000 (1H 2011 loss of £808,000) mainly attributable to charges of £948,000 for group administration expenses and £213,000 relating to amortisation and depreciation charges.

OPERATIONS

- Spain production during the reporting period averaged 117 bopd, with current production (last 30 days) averaging 166 bopd.
- Production in Trinidad (Icacos) and Gulf of Mexico (Eugene Island) are broadly in line with 2H2011.
- An unsuccessful well, A-2ST01, was drilled by the operator on the Eugene Island field targeting additional production from an additional fault segment.
- In preparation for LGO taking over full operational control of the Goudron Field a programme of five workovers was conducted in May and June which confirmed the prior estimate of 10 bopd per well for existing field wells.

COMMERCIAL

- A major project was undertaken to farm-out, or sell, the Spanish assets and from 2 May until the end of the reporting period the assets were under offer.
- On the 18 July definitive sales documentation was agreed with Ravi Corporate SL ("Ravi") and on the 27 July all conditions precedent had been satisfied. Completion was anticipated by the 21 September for a total consideration of €9.3 million. As the transaction is not now likely to complete as envisaged, LGO and Ravi are currently discussing alternative financing structures.
- Definitive documentation and government approvals for the transfer of the Goudron IPSC to LGO were pursued throughout the period. Approvals of both the Trinidad and Tobago Ministry of Energy and the State Oil Company, Petrotrin, were obtained by July. Completion is expected in October and the Company is now making provision to finance this acquisition independent of the sale of its assets in Spain.
- After some delay, the necessary rectification of the complex title associated with the oil and gas leases owned by Advance Oil in the Moruga North area of Trinidad was obtained and it is hoped now to complete the farm-in in October.
- The heads of terms for a farm-out agreement with Range Resources Limited expired by mutual consent in April 2012, although the parties continue to explore potential collaborations in the Eastern Fields area of Trinidad.
- After the end of the period, LGO divested its 20% working interest in each of two Gulf of Mexico exploration leases, South Marsh Island-6 and Ship Shoal-180, to lease operator Byron Energy Inc.
- After the 30th June, the Company divested its 10% working interest in Area 4 offshore Malta to Mediterranean Oil and Gas plc ("MOG"). The Company has asked questions of MOG in relation to the adequacy of disclosure prior to the divestment, pending which the planned £1.9 million write-down has been deferred.

TARGETS TO END 2012

- Completion of the sale, or farm-down, of the Company's assets in Spain.
- Completion of the purchase of the Goudron IPSC in Trinidad.
- Completion of the Farm-in to the Advance Oil lease in Moruga North, in Trinidad.
- Commencement of a continuous workover campaign at the Goudron field aimed at raising production to 400 bopd within 12 months.
- Recommencement of production at Moruga North.
- Resolution of the legal dispute with Mediterranean Oil and Gas plc.
- Seek a buyer for the Company's remaining interests in the Gulf of Mexico.

NOTES

All figures are net LGO unless otherwise stated.

David Lenigas, Executive Chairman, commented: "The year to date has been a period of major transformation in LGO as we have moved the focus our future operations in Trinidad, where we hold leases and exclusive options which we hope will reposition the Company as a major onshore producer in this area. This refocusing has by necessity required us to divest non-core assets elsewhere and this is a process that will continue for the remainder of the year.

Notwithstanding variations in production levels revenue from all our producing fields in Spain, the Gulf of Mexico and Trinidad has increased with respect to 2011 which reflects the results of work undertaken in 2011 and especially the ongoing cost control and the application of operational best practice in all areas of our business.

We still have a busy remainder of the year ahead of us to finalise this strategic refocusing, but I remain confident that 2012 will see the completion of the transformation initiated by the new management in late 2011."

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OPERATIONS REVIEW

In the first six months of 2012 the management have focused on two main issues: optimising the cost structure in Spain so as to produce the Ayoluengo Field as efficiently as possible, and on the commercial arrangements necessary to refocus the future capital and operation resources of the Company on Trinidad.

Spain

During 2012 production has been below the peak of 300 bopd established in 2011, however, through the combination of tighter cost control and greater uptime from the existing wells gross revenue has been increased by £190,000 relative to the equivalent period in 2011. Plans to install additional capacity in a number of wells has been suspended during the ongoing farmout/sale process, however, that work will now be commenced shortly with the installation of a new pump in well Ayo-46. The Company feels that with continued uncertainty over the completion of the sale to Ravi these low cost opportunities to raise production should be now be pursued.

In total, 10 wells have been productive for oil and the average production rate during the reporting period was 117 bopd. Greater uptime has now been achieved on the key Ayo-37 well through operating practices and as a result recent average production has been substantially higher, averaging 166 bopd in the last 30 day period prior to issue of this report. The Hontomin-2 well was shut-in on 7 March 2012 pending approval of LGO's application for the Huermeces exploration licence to be converted to a production concession. As of the time of writing, that concession was still pending approval by the Spanish authorities.

As previously, oil has been sold as fuel oil for use in local factories. The so far unused sales agreement with BP Espana has been extended with a view to possible use when either production volumes are higher or arsenic levels are lower. The realised price for crude sold from the field is 82% of the prevailing Brent price.

A dataroom was opened in early 2012 for potential farm-in partners or purchasers to view all the technical and commercial information pertaining to the Ayoluengo Field, Hontomin Field and other assets owned by LGO and operated by its wholly owned Spanish subsidiary, CPS. Interest was expressed by over twenty companies and Confidentiality Agreements were signed with ten companies and at the offer deadline on the 21 March 2012 LGO received four offers. Exclusivity was granted until 31 May 2012 to the company with the most attractive commercial offer to complete due diligence and agree definitive documentation. At the end of that exclusivity period, the bidder was unable to convert the offer into a binding proposal and LGO approached the under-bidders and several other companies who had expressed interest after the bid deadline.

Based on the new offers LGO selected Ravi Corporate SL's ("Ravi") offer of €8 million and in return for a €200,000 non refundable deposit Ravi were granted exclusivity to complete the transaction by 31 August. All conditions precedent had been met by the 27 July, however, Ravi were unable to complete at that time and the exclusivity was further extended until 21 September in return for a further €100,000 non-refundable payment and an increase in the consideration to €9.3 million. At the time of this report, it is understood that the transaction will not complete as previously envisaged, and as a result LGO and Ravi are discussing alternative financing structures which may be mutually advantageous to the parties. LGO also has alternative buyers with whom discussions have been suspended during the exclusivity period.

Discussions have continued with CIUDEN under the Joint Operations Agreement at Hontomin where CIUDEN plan to drill at least two new wells as part of a carbon capture and storage project. It is hoped that CIUDEN will share in the costs of operating the Hontomin field.

Trinidad

Production from the Company's 50% owned Icacos Field has been maintained at an average rate of 17.3 bopd (FY2011: 17.9 bopd) during the reporting period. Only routine well operations have been conducted during this period, although more extensive workovers and reactivation at least one well are now planned with a view to increasing production.

In 2011, LGO acquired from Sorgenia International BV ("Sorgenia") a local Trinidadian company Goudron E&P Limited ("GEPL") which holds the exclusive rights to acquire the Goudron Incremental Production Service Contract with Petrotrin from its current owner Cameron Oil and Gas Ltd. During the reporting period all formalities associated with the transfer were substantially complete and the Trinidad and Tobago Ministry of Energy and Energy Affairs gave its consent to the transfer.

In January LGO, signed a heads of terms on a partnership agreement with fellow Trinidad oil and gas producer Range Resources Limited ("Range"), in order to jointly develop their interests in the Eastern Fields area which contains the LGO Goudron Field and the Range Beach Marcelle Field. The agreement envisaged Range taking an interest in Goudron of up to 50% and granting LGO an option to participate in Beach Marcelle up to an interest of 15%. The agreement expired by mutual consent in late April without the parties reaching a binding transaction; however, Range and LGO continue to explore potential collaborations in the Eastern Fields area.

Pending completion, LGO (through GEPL) conducted a short campaign of well workovers in May and June to increase confidence in LGO's estimate that old wells, when cleaned out, could on average produce 10 bopd. The workover campaign carried out on wells GY-63, 190, 245. 246 and 254 took 35 days to complete at a cost of approximately US$50,000. Production was increased by in excess of 50 bopd. A further five workovers are planned for October 2012. Completion of the transfer of the contract is also expected to occur in October, pending the availability of financing. Finance was intended to come from the sale of the Spanish assets, but the sale is not now proceeding as previously envisaged and depending upon the nature of any agreed alternative arrangements with Ravi, the Group plans to secure funding through other sources in order to complete this transaction.

LGO plans to carry out a program of approximately 40 further workovers at Goudron, along with environmental and facilities improvements during the first few months of operation. New wells targeting unswept oil and using state of the art drilling and completion techniques will follow initial production enhancement operations on the existing wells.

After the reporting period LGO announced the results of a Competent Person's Report on the oil reserves in the Goudron Field carried out by Challenge Energy Limited ("Challenge"). Previous estimated had been based on Sorgenia's internal estimates. The new estimates provided by Challenge confirm the previous 2P estimates with 7.2 million barrels (mmbbls) (previous estimate 8 mmbbls) and increase the 3P estimate from 21.8 mmbbls to 30.4 mmbbls. Challenge also provided an estimate of the contingent resources associated with a possible water flood project of 63.2 mmbbls.

In order to complete the planned farm-in to the Advance oil leases in the Moruga North area, it has proved necessary to seek to remedy a number of title deficiencies. This work was not originally envisaged and has delayed the commencement of operations to reactivate the existing oil wells at Moruga North and drill three new exploration wells. The conveyance work is now largely complete and the Farm-in Agreement is expected to be signed in October. The drilling of the first new well is anticipated to occur within 3 months of completion.

LGO is in the process of applying for a Private Petroleum Licence covering the private leases signed with various estates in the Cedros Peninsula surrounding the Icacos Field. It is hoped that field operations, including geological studies and an airborne gravity survey can be commenced in 2013 so as to delineate the possible extent of a deep exploration play in the Cedros.

Gulf of Mexico

Production has continued from the Eugene Island field through the period and net production of 21.2 boepd (FY2011: 20.9 boepd) has been achieved.

On the 18 February 2012 Marlin Energy LLC, who operate the Eugene Island Field commenced a sidetrack to the existing, now non-productive, A2 well. The sidetrack targeted a separate fault block with estimated reserves of 0.5 mmbbls in the Tex-X2 level at around 13,000 feet. The A2-ST01 reached a total depth of 13,496 feet, however, the Tex-X2 was found to be water wet. A deeper zone exhibited 5 feet of net hydrocarbon pay but was deemed to be sub commercial and the sidetrack was plugged and abandoned in late March.

In August LGO sold two non-core exploration leases, South Marsh Island-6 and Ship Shoals-180, to lease operator Byron Energy LLC for US$400,000. At the time of this report LGO had received a firm expression of interest to purchase the balance of its holdings in the Gulf of Mexico and is in active discussions to this effect.

Malta

During late 2011 Mediterranean Oil and Gas plc ("MOG") as operator of the Area 4 PSC in offshore Malta acquired an additional 3D seismic survey over the prospective portions of Block 7. The survey, acquired using 9 kilometre long streamers was designed to better image the possible deeper exploration targets in the Cretaceous. The data was processed in the UK and was reported to be available for interpretation in April. Based on information received from MOG it was decided to divest the Company's 10% interest to MOG. Immediately following the sale, MOG farmed down to Genel Energy plc at a significant premium and LGO have appointed Mishcon de Reya to represent it in proceedings in relation to the adequacy of disclosure prior to LGO's sale on the 31 July 2012.

Neil Ritson
Chief Executive Officer
17 September 2012

Competent Person's statement:

The information contained in this document has been reviewed and approved by Neil Ritson, Chief Executive Officer for Leni Gas & Oil Plc. Mr. Ritson is a member of the SPE and Fellow of the Geological Society, an Active Member of the American Association of Petroleum Geologists and has over 35 years relevant experience in the oil industry.

GLOSSARY & NOTES

3D = three-dimensional
boepd = boe per day (barrels of oil equivalent calculated on the basis of six thousand cubic feet of gas equals one barrel of oil)
bopd = barrels of oil per day
FY = Full Year
mm = million
PSC = Production Sharing Contract

FINANCIAL STATEMENTS

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE INTERIM PERIOD ENDED 30 JUNE 2012

	Notes	Six months to 30 June 2012 (Unaudited) £ 000's	Six months to 30 June 2011 (Unaudited) £ 000's	Year ended 31 December 2011 (Audited) £ 000's
Revenue		1,753	1,509	3,417
Cost of Sales		(1,423)	(1,156)	(2,356)
Gross profit		**330**	**353**	**1,061**
Administrative expenses		(948)	(940)	(2,279)
Amortisation and depreciation		(213)	(142)	(565)
Share based payments		(103)	(82)	(421)
Loss from operations		**(934)**	**(811)**	**(2,204)**
Impairment charge		-	-	(1,685)
Finance charges		(38)	-	(30)
Finance revenue		1	3	8
Loss before taxation		**(971)**	**(808)**	**(3,911)**
Income tax expense		(36)	-	(155)
Loss for the period		**(1,007)**	**(808)**	**(4,066)**
Other comprehensive income				
Exchange differences on translation of foreign operations		(329)	145	(196)
Other comprehensive income for the period net of taxation		**(329)**	**145**	**(196)**
Total comprehensive income for the period attributable to equity holders of the parent		**(1,336)**	**(663)**	**(4,262)**
Loss per share (pence)				
Basic	**3**	(0.08)	(0.09)	(0.43)
Diluted	**3**	(0.08)	(0.09)	(0.43)

GROUP STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Notes	As at 30 June 2012 (Unaudited) £ 000's	As at 30 June 2011 (Unaudited) £ 000's	As at 31 December 2011 (Audited) £ 000's
Assets				
Non-current assets				
Property, plant and equipment	**6**	222	291	244
Intangible assets	**5**	16,391	17,768	16,876
Goodwill		3,083	-	3,083
Total non-current assets		**19,696**	**18,059**	**20,203**
Current assets				
Inventories		110	102	233
Trade and other receivables		666	933	1,162
Cash and cash equivalents		149	1,033	1,056
Total current assets		**925**	**2,068**	**2,451**
Total Assets		**20,621**	**20,127**	**22,654**
Liabilities				
Current liabilities				
Trade and other payables		(1,219)	(1,401)	(2,155)
Deferred consideration		(737)	-	(737)
Taxation		(30)	-	(57)
Borrowings		(56)	-	-
Total current liabilities		**(2,042)**	**(1,401)**	**(2,949)**
Non-current liabilities				
Deferred consideration		(1,850)	-	(1,850)
Borrowings		(856)	-	(718)
Provisions		(768)	(857)	(799)
Total non-current liabilities		**(3,474)**	**(857)**	**(3,367)**
Total Liabilities		**(5,516)**	**(2,258)**	**(6,316)**
Net Assets		**15,105**	**17,869**	**16,338**
Shareholders' equity				
Called-up share capital	**4**	630	460	630
Share premium		31,751	30,192	31,751
Share based payments reserve		1,187	912	1,251
Retained earnings		(18,168)	(14,070)	(17,328)
Foreign exchange reserve		(295)	375	34
Total equity attributable to equity holders of the parent		**15,105**	**17,869**	**16,338**

GROUP STATEMENT OF CASH FLOW
FOR THE INTERIM PERIOD ENDED 30 JUNE 2012

	Six months to 30 June 2012 (Unaudited)	**Six months to 30 June 2011 (Unaudited)**	**Year ended 31 December 2011 (Audited)**
	£ 000's	**£ 000's**	**£ 000's**
Cash outflow from operating activities			
Operating (loss)	(934)	(811)	(2,204)
Decrease/(increase) in trade and other receivables	496	(487)	(716)
(Increase)/ decrease in trade and other payables	(936)	846	1,600
Decrease/(increase)in inventories	123	(6)	(137)
Depreciation	34	34	69
Amortisation	179	108	496
Share based payments	103	82	421
Income tax (paid)	(64)	-	(98)
Net cash (outflow) from operating activities	**(999)**	**(234)**	**(569)**
Cash flows from investing activities			
Interest received	1	3	8
Payments to acquire subsidiaries	-	-	(617)
Payments to acquire intangible assets	(386)	(2,714)	(3,997)
Payments to acquire tangible assets	(21)	(9)	(15)
Net cash (outflow) from investing activities	**(406)**	**(2,720)**	**(4,621)**
Cash flows from financing activities			
Issue of ordinary share capital	-	-	1,812
Share issue costs	-	-	(83)
Proceeds from borrowings	100	-	688
Net cash inflow from financing activities	**100**	**-**	**2.417**
Net (decrease) in cash and cash equivalents	(1,305)	(2,954)	(2776)
Foreign exchange differences on translation	342	135	(23)
Cash and cash equivalents at beginning of period	1,056	3,852	3,852
Cash and cash equivalents at end of period	**93**	**1,033**	**1,056**

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD ENDED 30 JUNE 2012

	Called up share capital	Share premium reserve	Share based payments reserve	Retained earnings	Foreign exchange reserve	Total Equity
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Group						
As at 31 December 2010	**460**	**30,192**	**830**	**(13,262)**	**230**	**18,450**
Loss for the year	-	-	-	(4,066)	-	**(4,066)**
Currency translation differences	-	-	-	-	(196)	**(196)**
Total comprehensive income	**-**	**-**	**-**	**(4,066)**	**(196)**	**(4,262)**
Share capital issued	170	1,642	-	-	-	**1,812**
Cost of share issue	-	(83)	-	-	-	**(83)**
Share based payments	-	-	421	-	-	**421**
Total contribution by and distribution to owners of the company	**170**	**1,559**	**421**	**-**	**-**	**2,150**
As at 31 December 2011	**630**	**31,751**	**1,251**	**(17,328)**	**34**	**16,338**
Loss for the year	-	-	-	(1,007)	-	**(1,007)**
Currency translation differences	-	-	-	-	(329)	**(329)**
Total comprehensive income	**-**	**-**	**-**	**(1,007)**	**(329)**	**(1,336)**
Expiration of Options	-	-	(167)	167	-	**-**
Share based payments	-	-	103	-	-	**103**
Total contribution by and distribution to owners of the company	**-**	**-**	**(64)**	**167**	**-**	**103**
As at 30 June 2012	**630**	**31,751**	**1,187**	**(18,168)**	**(295)**	**15,105**

1. Basis of preparation

The financial information has been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union ("IFRS") and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial information for the period ended 30 June 2012 has not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory accounts for the period ended 31 December 2011. The figures for the period ended 31 December 2011 have been extracted from these accounts, which have been delivered to the Registrar of Companies, and contained an unqualified audit report

The financial information contained in this document does not constitute statutory accounts. In the opinion of the directors the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

This Interim Financial Report was approved by the Board of Directors on 17 September 2012.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ('IAS') 34 – Interim Financial Reporting as adopted by the European Union. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Leni Gas and Oil Plc and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All inter-company balances and transactions have been eliminated in full.

Foreign currencies

The functional currency of each entity is determined after consideration of the primary economic environment of the entity. The group's presentational currency is Sterling (£).

2. Segmental analysis

Six months 1 January 2012 to 30 June 2012	Corporate UK £'000	Holding Cyprus £'000	Operating Spain £'000	Operating Trinidad £'000	Operating US £'000	Total £'000
Operating loss by geographical area						
Revenue	-	-	1,394	203	156	**1,753**
Operating (loss)	(553)	(5)	85	27	(488)	**(934)**
Impairment charge	-	-	-	-	-	**-**
Finance Charge	(38)	-	-	-	-	**(38)**
Finance revenue	1	-	-	-	-	**1**
Profit/(loss) before taxation	**(590)**	**(5)**	**85**	**27**	**(488)**	**(971)**
Other information						
Depreciation and amortisation	(1)	-	(44)	(4)	(164)	**(213)**
Capital additions	-	7	85	315	-	**407**
Segment assets	3,089	1,853	8,693	511	5,550	**19,696**
Financial assets	68	-	460	73	65	**666**
Inventory	-	-	110	-	-	**110**
Cash	-	-	110	36	3	**149**
Consolidated total assets	**3,157**	**1,853**	**9,373**	**620**	**5,618**	**20,621**
Segment liabilities						
Trade and other payables	(662)	-	(500)	(46)	(11)	**(1,219)**
Taxation	-	(13)	-	(17)	-	**(30)**
Borrowings	(912)	-	-	-	-	**(912)**
Deferred Consideration	(2,587)	-	-	-	-	**(2,587)**
Provisions	-	-	(768)	-	-	**(768)**
Consolidated total liabilities	**(4,161)**	**(13)**	**(1,268)**	**(63)**	**(11)**	**(5,516)**

2. Segmental analysis (continued)

Six months 1 January 2011 to 30 June 2011	Corporate UK £'000	Holding Cyprus £'000	Operating Spain £'000	Operating Trinidad £'000	Operating US £'000	Total £'000
Operating loss by geographical area						
Revenue	-	-	1,204	178	127	**1,509**
Operating (loss)	(527)	(11)	(193)	7	(87)	**(811)**
Impairment charge	-	-	-	-	-	**-**
Finance Charge	-	-	-	-	-	**-**
Finance revenue	3	-	-	-	-	**3**
Profit/(loss) before taxation	(524)	(11)	(193)	7	(87)	**(808)**
Other information						
Depreciation and amortisation	-	-	80	-	62	**142**
Capital additions	9	-	2,714	-	-	**2,723**
Segment assets	9	1,498	10,667	-	5,886	**18,059**
Financial assets	83	-	793	56	-	**933**
Inventory	-	-	102	-	-	**102**
Cash	754	-	31	154	94	**1,033**
Consolidated total assets	**846**	**1,498**	**11,593**	**210**	**5980**	**20,127**
Segment liabilities						
Trade and other payables	(118)	-	(1,247)	(36)	-	**(1,401)**
Taxation	-	-	-	-	-	**-**
Overdrafts	-	-	-	-	-	**-**
Borrowings	-	-	-	-	-	**-**
Deferred Consideration	-	-	-	-	-	**-**
Provisions	-	-	(857)	-	-	**(857)**
Consolidated total liabilities	**(118)**	**-**	**(2,104)**	**(36)**	**-**	**(2,258)**

2. Segmental analysis (continued)

Year ended 31 December 2011	Corporate UK £'000	Holding Cyprus £'000	Operating Spain £'000	Operating Trinidad £'000	Operating US £'000	Total £'000
Operating loss by geographical area						
Revenue	-	-	2,659	375	383	**3,417**
Operating (loss)	(1,267)	(35)	(675)	197	(424)	**(2,204)**
Impairment charge	-	-	(1,685)	-	-	**(1,685)**
Finance Charge	(30)	-	-	-	-	**(30)**
Finance revenue	4	-	4	-	-	**8**
Profit/(loss) before taxation	(1,293)	(35)	(2,356)	197	(424)	**(3,911)**
Other information						
Depreciation and amortisation	2	-	138	9	416	**565**
Capital additions	3,092	348	3,547	200	28	**7,215**
Segment assets	3,090	1,846	9,288	199	5,780	**20,203**
Financial assets	341	-	648	62	111	**1,162**
Inventory	-	-	233	-	-	**233**
Cash	484	-	282	146	144	**1,056**
Consolidated total assets	**3,915**	**1,846**	**10,451**	**407**	**6,035**	**22,654**
Segment liabilities						
Trade and other payables	(706)	(6)	(1,411)	(16)	(16)	**(2,155)**
Taxation	-	(13)	-	(44)	-	**(57)**
Overdrafts	-	-	-	-	-	**-**
Borrowings	(718)	-	-	-	-	**(718)**
Deferred Consideration	(2,587)	-	-	-	-	**(2,587)**
Provisions	-	-	(799)	-	-	**(799)**
Consolidated total liabilities	**(4,011)**	**(19)**	**(2,210)**	**(60)**	**(16)**	**(6,316)**

3. Earnings per share

The calculation of earnings per share is based on the loss after taxation divided by the weighted average number of share in issue during the period:

	Six months to 30 June 2012 (Unaudited)	Six months to 30 June 2011 (Unaudited)	Year ended 31 December 2011 (Audited)
Net loss after taxation (£000's)	(1,007)	(808)	(4,066)
Weighted average number of ordinary shares used in calculating basic earnings per share (millions)	1,259.5	919.3	950.1
Weighted average number of ordinary shares used in calculating diluted earnings per share (millions)	1,443.7	1,087.3	11,313.0
Basic loss per share (expressed in pence)	(0.080)	(0.090)	(0.430)
Diluted loss per share (expressed in pence)	(0.080)	(0.090)	(0.430)

4. Called up share capital

The called up and fully paid share capital of the Company at 30 June 2012 is as follows:

Called up, allotted, issued and fully paid share capital	Number of shares	Nominal value (£000's)
As at 1 January 2011	919,254,965	460
21 November 2011 cash at 1.19p per share	4,200,000	2
21 November 2011 cash at 0.93p per share	19,000,000	10
29 November 2011 cash at 0.50p per share	302,000,000	151
29 November 2011 cash at 0.50p per share	15,000,000	7
As at 31 December 2011	**1,259,454,965**	**630**
No shares issued in the period	-	-
As at 30 June 2012	**1,259,454,965**	**630**

During the period no shares were issued.

Total share options in issue

During the 6 months ended 30 June 2012, a total of 10 million options at prices from 1p to 5p were issued to a member of the technical staff.

As at 30 June 2012, the options in issue were:

Exercise Price	Expiry Date	Options in Issue as at 30 June 2012
5p	09-Jun-13	16,300,000
3p	18-Nov-13	10,000,000
4p	18-Nov-13	5,000,000
5p	18-Nov-13	5,000,000
6p	18-Nov-13	5,000,000
3p	31-Jan-13	10,000,000
4p	31-Jan-13	2,500,000
5p	31-Jan-14	5,000,000
3p	03-May-14	5,000,000
4p	03-May-14	3,500,000
5p	03-May-14	3,500,000
6p	03-May-14	3,000,000
1p	27-Feb-15	1,000,000
2p	27-Feb-15	1,000,000
3p	27-Feb-15	2,000,000
4p	27-Feb-15	3,000,000
5p	27-Feb-15	3,000,000
		83,800,000

16 million options lapsed, no options were cancelled or were exercised during the period ended 30 June 2012.

Total warrants in issue

During the 6 months ended 30 June 2012, no warrants were issued.
As at 30 June 2012, the warrants in issue were:

Exercise Price	Expiry Date	Warrants in Issue as at30 June 2012
8p	26 June 2013	78,362,500
8p	1 July 2013	9,426,406
8p	28 July 2013	15,875,000
		103,663,906

No warrants lapsed or were cancelled; or were exercised during the period 30 June 2012.

5. Intangible assets

	Oil and gas properties	Deferred exploration expenditure	Decommissioning costs	Goodwill	Total
Group	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Cost					
As at 31 December 2011	25,035	1,846	799	3,083	30,763
Additions	379	7	-	-	386
Disposal	(357)	-	-	-	(357)
Foreign exchange difference on translation	(464)	-	(30)	-	(494)
As at 30 June 2012	**24,593**	**1,853**	**769**	**3,083**	**30,298**
Amortisation and Impairment					
As at 31 December 2011	10,793	-	11	-	10,804
Amortisation	178	-	1	-	179
Disposal	(1)	-	-	-	(1)
Impairment charge	-	-	-	-	-
Foreign exchange difference on translation	(158)	-	-	-	(158)
As at 30 June 2012	**10,812**	**-**	**12**	**-**	**10,824**
Net book value					
As at 30 June 2012	**13,781**	**1,853**	**757**	**3,083**	**19,474**
As at 31 December 2011	14,242	1,846	788	3,083	19,959

6. Tangible assets

Group	**Total £ 000's**
Cost	
As at 1 January 2012	541
Additions	21
Disposals	-
Foreign exchange difference on translation	(22)
As at 30 June 2012	**540**
Depreciation	
As at 1 January 2012	297
Depreciation	34
Eliminated on disposal	-
Foreign exchange difference on translation	(13)
As at 30 June 2012	**318**
<u>Net book value</u>	
As at 30 June 2012	**222**
As at 31 December 2011	244

7. Events after the reporting date

On the 3rd August 2012 LGO raised £150,000 through the issue of 18,292,636 ordinary shares at a place price of 0.82p per share to Dutchess opportunity Cayman Fund Ltd under the Equity line Facility.

On the 13th August 2012 LGO completed the sale of its 10% stake in the Area 4 Petroleum Sharing Agreement, to Phoenicia Energy Company Limited (a subsidiary of Mediterranean Oil and Gas plc (“MOG”)), for $1 plus joint venture liabilities of $20k. Ten days later, on the 23rd August, MOG announced a farm out agreement with Genel Energy plc (“Genel”), a transaction valuing the 10% stake at significantly higher than the $1 that LGO received. LGO has requested that MOG disclose the factual position underpinning representations made by MOG on which LGO relied in deciding to divest, including the timing and content of communication with Genel. Mishcon de Reya are representing LGO throughout this process. Pending resolution of this, the Board of LGO has decided to defer the planned write-down of the Company’s previous investment in Malta totalling £1.9 million.

On 21st August 2012, Leni Gas and Oil Inc, a subsidiary of LGO, agreed to sell its interest in two exploration leases in which it held a 20% interest to Byron Energy Inc. for a consideration of US$400,000.

On 18th July 2012, LGO initially announced the divestment of its Spanish assets for a cash consideration of €8million. LGO received a non-refundable deposit against the consideration of €200,000, and a further non-refundable deposit of €100,000 on 3 September 2012, with the date for completion extended to 21st September 2012. As at 3 September the consideration had been adjusted to €9.3million to reflect the delays in completion and the associated €50,000 per day surcharge being accrued. At the time of this report, it is understood that the transaction will not complete as envisaged and LGO and Ravi are therefore discussing alternative financing structures.

8. The financial information set out above does not constitute the Group’s statutory accounts for the period ended 31 December 2011, but is derived from those accounts.

9. A copy of this interim statement is available on the Company’s website : www.lenigasandoil.com

CORPORATE INFORMATION

Registered number	05901339
Directors	David Lenigas – Executive Chairman Neil Ritson – Chief Executive Officer Steve Horton – Non Executive Director
Company Secretary	Kiran Morzaria
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Auditors	Chapman Davis LLP, 2 Chapel Court, London, SE1 1HH
Solicitors	Kerman & Co LLP, 200 Strand, London, WC2R 1DJ
Nominated Advisor and Joint Broker	Beaumont Cornish Limited, 2nd Floor, Bowman House, 29 Wilson Street, London, EC2M 2SJ
Joint Broker	Old Park Lane Capital plc, 49 Berkley Square, London, W1S 4JU
Joint Broker	Shore Capital Stockbrokers Limited, Bond Street House, 14 Clifford Street, London, W1S 4JU
Registrars	Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL
Principal Bankers	Bank of Scotland, 38 Threadneedle Street, London, EC2P 2EH