
Nordic Oil & Gas announces H1 2008 financial results

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Nordic Oil & Gas Limited has announced the financial results from operations for its second quarter and six months ended June 30th 2008.

Details for January to June 2008 period

Revenue from natural gas and coal bed methane sales for the six month period totaled CAD 524,724 up substantially from the CAD 364,568 reported for same period in 2007. The increase in the first half revenue totals was due to a sharp rise in oil and gas revenue to CAD 473,376 as compared to CAD 348,541 a year ago and an increase in interest income to CAD 34,604 as compared to CAD 3,626 in 2007.

Net cash flow from operating activities was down slightly for the first half of 2008 to CAD 173,886 as compared to CAD 182,877 during the same period a year ago. This was due to the increase in both operating and royalty costs for the period along with increased drilling costs.

Cash, including short term investments, accounts receivable, deposits and deferred costs for the first six months of the year totaled CAD 6,523,631 more than double that of the CAD 3,169,248 at the end of December 2007. Total assets as at June 30th 2008 were CAD 12,723,058, up by 65% from the CAD 7,713,059 as at December 31st 2007.

General and administrative expenses for the first half of 2008 totaled CAD 218,080, up from the CAD 108,584 reported for the same period in 2007. Overall expenses for the first half of 2008 were up approximately by CAD 388,000 at CAD 929,524 compared to the first half of 2007 at CAD 541,248.

Nordic Oil & Gas recorded a net loss of CAD 272,233 for the first six months of 2008, a decrease of more than CAD 80,000 over the same period a year ago amount of CAD 354,745. The decrease in the net loss for the six month period can be attributed to the future income tax recovery of CAD 451,441, along with a strong increase in revenue.

Second quarter results

Revenue for the April to June 2008 period totaled CAD 375,622, the highest three month total in more than 2 years. This represents an increase of approximately CAD 230,000 over the Q1 2008 total of CAD 145,854, and an increase of about CAD 200,000 over the second quarter of 2007 total of CAD 175,430. The increase in quarter over quarter revenue totals was due to a higher average price for the company's gas and stronger production from some of its wells at Joffre.

General and administrative expenses for the 3 months under review totaled CAD 108,744, up about CAD 40,000 from the CAD 68,081 in the same period in 2007. Overall expenses for the second quarter under review totaled CAD 342,201 up from those recorded in Q2 2007 by approximately CAD 45,000 and down substantially from the Q1 of 2008 total of CAD 575,264.

For the quarter, it recorded a net loss of CAD 135,730, an improvement of more than CAD 100,000 versus the CAD 239,055 loss reported in Q2 of 2007.

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