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FOR IMMEDIATE RELEASE

**London, 23 October 2020**

### **Signing of Forbearance Agreement**

Nostrum Oil & Gas PLC (LSE: NOG) ("**Nostrum**", or "**the Company**"), an independent oil and gas company engaging in the production, development and exploration of oil and gas in the pre-Caspian Basin, today announces that the Company and certain of its subsidiaries (the "**Note Parties**") have entered into a forbearance agreement (the "**Forbearance Agreement**") with members of an ad hoc committee of noteholders (the "**AHG**"). The forbearance period initially expires at 4 p.m. GMT on December 20, 2020 (the "**Initial Expiration Date**"), but the Initial Expiration Date is automatically extended to 4 p.m. GMT on February 18, 2021 and then again to 4 p.m. GMT on March 20, 2021 unless the Forbearance Agreement has been terminated by a majority decision of the forbearing members of the AHG. A final extension period from March 20 to May 19, 2021 requires the approval of all of the forbearing members of the AHG.

Pursuant to the Forbearance Agreement, members of the AHG have agreed to forbear from the exercise of certain rights and remedies that they have under the indentures governing the 8.0% Senior Notes due 2022 (the "**8.0% Notes**") and 7.0% Senior Notes due 2025 (the "**7.0% Notes**" and together with the 8.0% Notes, the "**Notes**") issued by Nostrum Oil & Gas Finance B.V. The agreed forbearances include agreeing not to accelerate the Notes' obligations as a result of the missed interest payments (or the next missed interest period if this occurs prior to the expiry of the Forbearance Agreement).

The Forbearance Agreement is subject to certain conditions, including any representation or warranty made by any of the Note Parties under the Forbearance Agreement continuing to be true and complete in all material respects as of the date of the Forbearance Agreement.

The Forbearance Agreement is subject to further conditions, including:

- (i) The opening of a secured account for a portion of the missed interest payments. Within 21 days of the effective date of the Forbearance Agreement an amount equal to 30% of the missed interest payments will be transferred into the secured account. This amount shall be increased with an amount equal to 17.50% of the missed interest payments transferred into the secured account after 180 days. The Company shall have the ability to make certain withdrawals from the account if its liquidity falls below an agreed level;
- (ii) The appointment by the AHG of an observer who shall be entitled to attend and speak, but not vote, at any meetings of the Board or Committees of the Company where certain defined matters are to be discussed. The AHG have selected Mr. Stephen Whyte as the board observer. Mr Whyte has over 30 years' experience in the oil and gas industry. He was chief operating officer and executive director for Exploration and Production at Galp Energia until 2014 and Senior Vice President, Commercial at BG Group. He previously spent 14 years with



Shell and six years with Clyde Petroleum. Mr Whyte was formerly Shell country chairman in Brazil, non-executive chairman of Genel Energy and Sound Energy, an independent non-executive director of Kazmunaygas and is currently an independent non-executive director of Echo Energy;

- (iii) The engagement of certain professional and technical advisors on behalf of the AHG;
- (iv) The observance by the Company and its subsidiaries of certain operating and other restrictions and limitations; and
- (v) The provision of certain financial and operating information to the advisors of the AHG.

Holders in an aggregate principal amount of the 8.0% Notes of \$361,215,000 and holders in an aggregate principal amount of the 7.0% Notes of \$191,258,000 signed the Forbearance Agreement.

The Company has agreed to pay, or procure the payment by the issuer of, certain consent fees in cash (a “**Consent Fee**”) to each forbearing holder. The Consent Fee will be paid on a rolling basis. The first Consent Fee for the first 90 days is 29.7866 basis points, then 19.8577 bps for the following 60 days and 9.9288 bps for the subsequent 30 days. The Consent Fees are payable by reference to the total aggregate principal amount of the Notes outstanding.

The Company will shortly communicate through the clearing systems an announcement inviting all other holders of the Notes to join the Forbearance Agreement within a limited period of time. Holders must vote through the clearing systems and deliver an accession notice to the Forbearance Agreement within 15 Business Days of the effective date of the Forbearance Agreement to qualify for the first Consent Fee.

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#### **Further information**

For further information please visit [www.nog.co.uk](http://www.nog.co.uk)

#### **Further enquiries**

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About Nostrum Oil & Gas

Nostrum Oil & Gas PLC is an independent oil and gas company currently engaging in the production, development and exploration of oil and gas in the pre-Caspian Basin. Its shares are listed on the London Stock Exchange (ticker symbol: NOG). The principal producing asset of Nostrum Oil & Gas PLC is the Chinarevskoye field, in which it holds a 100% interest and is the operator through its wholly-owned subsidiary Zhaikmunai LLP. In addition, Nostrum Oil & Gas holds a 100% interest in and is the operator of the Rostoshinskoye oil and gas field through the same subsidiary. Located in the pre-Caspian basin to the north-west of Uralsk, this exploration and development field is situated approximately 100 kilometres from the Chinarevskoye field.



### Forward-Looking Statements

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of the Company or its officers with respect to various matters. When used in this document, the words “expects”, “believes”, “anticipates”, “plans”, “may”, “will”, “should” and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises nor guarantees and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements.

No part of this announcement constitutes, or shall be taken to constitute, an invitation or inducement to invest in the Company or any other entity, and shareholders of the Company are cautioned not to place undue reliance on the forward-looking statements. Save as required by the Listing Rules and applicable law, the Company does not undertake to update or change any forward-looking statements to reflect events occurring after the date of this announcement.