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London, 29 October 2019

Operational Update for the Nine Months ending 30 September 2019

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 its operational update in respect of the nine-month period ending 30 September 2019. This update is being issued in advance of the release of Nostrum’s consolidated accounts for the same period.

Highlights:

Operational

- GTU3 technical commissioning complete
- Wells 42 & 41 tested without commercial flows of hydrocarbons
- Well 361 drilling complete and testing commenced
- 9M 2019 average production after treatment of 28,877 boepd
- 9M 2019 average sales volumes of 27,515 boepd
- Schlumberger and PM Lucas reports delivered to the Company
- Extended licences for the Rostoshinskoye and the Chinarevskoye fields

Financial

- Revenues expected to be in excess of US\$250 million (9M 2018: US\$311.4 million)
- Cash position in excess of US\$91 million (H1 2019: US\$120.8 million)
- Total debt expected not to exceed US\$1,113 million and net debt expected not to exceed approximately US\$1,022 million as at 30 September 2019

Kai-Uwe Kessel, Chief Executive Officer of Nostrum Oil & Gas, commented:

“I am pleased to confirm that during October we concluded the 72hr test of GTU3 and as a result can confirm it is commissioned. I can also report that both Schlumberger and PM Lucas have delivered their analysis of the Biski North East & West and the Tournasian reservoirs to our technical team. We are reviewing the reports and will look to factor them in when determining the 2020 drilling programme and production guidance. Production declined faster than we had anticipated during Q3 resulting in a revision of our full year sales volumes guidance to 27,000 boepd from 28,000 boepd for 2019.”



GTU3 commissioned

GTU3 is now technically commissioned following the completion of the 72hr test. The results of the test will now be analysed in detail to see whether any optimisation needs to be done whilst we wait for the final documentation to be completed. The remaining amount due to contractors on the plant that will be paid in Q4 will be approximately US\$14 million.

Licence extensions

The Company has obtained an extension of the Rostoshinskoye field subsoil use contract for appraisal activity for a three-year period until 16 August 2022. In addition, the Company has obtained an extension of the mining permit for the Chinarevskoye field to include the Northern area of the field, which permit is valid for the duration of the licence.

Sales volumes

The sales volumes split for 9M 2019 was as follows:

Products	9M 2019 sales volumes (boepd)	9M 2019 Product Mix (%)
Crude Oil & Stabilised Condensate	9,580	34.82
LPG (Liquid Petroleum Gas)	3,680	13.37
Dry Gas	14,255	51.81
Total	27,515	100.00

The difference between production after treatment and sales volumes is due to part of the dry gas being used for internal consumption (power generation), gas lift and some losses during transportation.

9M 2019 Drilling

- As at 30 September 2019, the Company had 44 wells in production (18 oil wells and 26 gas-condensate wells).
- Two wells were drilled during Q3. Well 51, a water injector in to the Tournasian oil reservoir, and appraisal well 361 was drilled in to the Vorobyovsky reservoir in the Northern part of the licence. Testing of 361 is now underway.
- Following extensive testing on well 41 in the Frasnian reservoir Nostrum has so far been unable to sustain a commercial flow of hydrocarbons from the well. The Company will now consider whether there are alternative approaches it can take to perforate other reservoirs. The Company does not forecast any production from this well in 2019.

2019 sales volume guidance

- 2019 production guidance is revised down with production forecast at 28,000 boepd, and corresponding to sales volumes of 27,000 boepd.
- An update on 2020 drilling and production guidance will be provided at the Q3 quarterly results.



Release of Nostrum's 9M 2019 Financial Results

Nostrum plans to release its consolidated accounts for 9M 2019 on 19 November 2019.

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Further information

For further information please visit www.nog.co.uk

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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, Darinskoye and Yuzhno-Gremyachenskoye oil and gas fields through the same subsidiary. Located in the pre-Caspian basin to the north-west of Uralsk, these exploration and development fields are situated between approximately 60 and 120 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 or



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.