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London, 30 April 2019

Operational Update for the First Quarter and the Three Months ending 31 March 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 three-month period ending 31 March 2019. This update is being issued in advance of the release of Nostrum’s consolidated accounts for the same period. The information contained in this update remains subject to review by the Company’s independent auditors.

Highlights:

Operational

- Q1 2019 average production after treatment of 32,646 boepd and average sales volumes of 31,621 boepd

Financial

- Q1 2019 revenues expected to be in excess of US\$95 million (Q1 2018: US\$94 million)
- Q1 2019 cash position in excess of US\$75 million (FY 2018: US\$122 million)
- Total debt¹ expected not to exceed US\$1,110 million and net debt expected not to exceed approximately US\$1,035 million as at 31 March 2019

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

First quarter production has been stable and we remain on track to meet our 2019 guidance production of 30,000 boepd average corresponding to sales volumes of 28,000 boepd. In our Northern area where two wells are being drilled; the first well (Well 42) is nearing completion with test results expected towards the end of May, whilst the second well (Well 41) is still being drilled. No production from either well is assumed in our production forecasts.

Schlumberger continues to work on the evaluation of the Biski North East and the Biski West reservoirs with results of the study due in Q3 2019.

From a financial perspective, Q1 improved as the oil price increased. Given that we had the coupon payments on both bonds coming in Q1 and a receivable balance of over US\$50m we had closing cash of US\$75m. This will reverse during Q2 where we have no coupon payments on our bonds and a portion of the receivable balance will unwind.



Our focus remains on growing production over the short to medium term, controlling costs and generating as much cash flow as possible.

1 Total debt does not include finance lease liabilities under IFRS16 Leases

Sales volumes

The sales volumes split for Q1 2019 was as follows:

Products	Q1 2019 sales volumes (boepd)	Q1 2019 product mix (%)
Crude Oil & Stabilised Condensate	11 853	37.49%
LPG (Liquid Petroleum Gas)	4 109	13.00%
Dry Gas	15 658	49.52%
Total	31 621	100.00%

The difference between production and sales volumes is primarily due to internal consumption of gas

Q1 2019 Drilling

- As at 31 March 2019, the Company had 45 wells in production (18 oil wells and 27 gas-condensate wells).
- Well 42 is nearing completion with test results expected towards the end of May.
- Well 41 is currently just above the target horizons.

2019 Drilling and sales volume guidance

- With two drilling rigs we remain able to drill up to six wells during 2019.
- The first two wells are in the Northern area of the field around well 40 (wells 41 and 42).
- The location of additional wells will be determined once we have completed the evaluation of wells drilled during 2018 and those currently being drilled.
- 2019 production guidance remains unchanged at 30,000 boepd, corresponding to sales volumes of 28,000 boepd. Guidance does not include any additional production from new wells planned this year.

Progress on the development of GTU3

Mechanical completion of GTU3 was achieved in December 2018 and cold commissioning is in progress with first gas into plant targeted for May 2019 and full commissioning completed in Q3 2019.

The below figures reflect all future cash payments expected to be made (excluding VAT) on GTU3.

Remaining cash spend on GTU3 (excl VAT) as at 31 March 2019	US\$23.4 million
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Trident

The current term of the Rostoshinkoye licence expired in February 2019 and a further extension to August 2022 is under application. Both the Yuzhno-Gremyachenskoye and the Darinskoye licences expire at the end of 2021.

Release of Nostrum's Q1 2019 Financial Results

Nostrum plans to release its audited consolidated accounts for Q1 2019 ending 31 March 2019 on 21 May 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 approximately 60 and 120 kilometres respectively 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 Partnership 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.