

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF THAT JURISDICTION

London, 19 May 2020

Financial Results for the First Quarter and Three Months ending 31 March 2020

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 financial results in respect of the three-month period ending 31 March 2020.

Highlights:

Financial:

- Revenue of US\$60.4 million (Q1 2019: US\$95.4 million)
- Net operating cash flows^[1] of US\$29.2 million (Q1 2019: US\$42.2 million)
- EBITDA^[2] of US\$31.7 million (Q1 2019: US\$58.7 million)
- EBITDA margin of 52.5% (Q1 2019: 61.5%)
- Closing cash^[3] for the period of US\$66.1 million (FY 2019: US\$93.9 million)
- Total debt of US\$1,116.4 million and net debt of US\$1,050.3 million as at 31 March 2020

Operational:

- Q1 2020 average production of 24,006 boepd and average sales volumes of 22,903 boepd
- Drilling halted for 2020. Workover activity to support production levels continuing.
- Continuing focus on monetizing spare capacity by processing third party volumes
- Actions taken to protect the health and safety of personnel and to mitigate any impact of COVID 19 on operations.
- 46 wells in production (21 oil wells and 25 gas-condensate wells) as at 31 March 2020.

Kaat Van Hecke, Chief Executive Officer of Nostrum Oil & Gas, commented:

“With the status of the Covid-19 pandemic evolving rapidly, it has provided a highly dynamic and challenging scenario for global markets over the first quarter of 2020. Nostrum has been monitoring the potential impact on its operations and has rolled out a business continuity plan to ensure the safety and wellbeing of our employees.

In line with our strategy to commercialise our world class infrastructure we are continuing our discussions with third parties to secure additional volumes to fill the spare capacity at our gas treatment facility.”

Sales volumes

The sales volumes split for Q1 2020 was as follows:

Products	Q1 2020 sales volumes (boepd)	Q1 2020 product mix (%)
Crude Oil & Stabilised Condensate	8,968	39.2%
LPG (Liquid Petroleum Gas)	2,862	12.5%

[1] IFRS term based on indirect cash flow method

[2] Defined as profit before tax net of finance costs, foreign exchange loss/gain, ESOP, depreciation, interest income, other income and expenses

[3] Defined as cash and cash equivalents including current and non-current investments and excluding restricted cash



Dry Gas	11,074	48.3%
Total	22,903	100.0%

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

As at 31 March 2020, the Company had 46 wells in production (21 oil wells and 25 gas-condensate wells).

2020 Drilling and sales volume guidance

- The company has halted all drilling in 2020 and will operate with 1 workover rig at field site.
- 2020 production forecast of 20,000 boepd, corresponding to sales volumes of 19,000 boepd.

Appointment of financial and legal advisers in connection with a possible restructuring

Rothschild & Co and White & Case LLP have been appointed as financial and legal advisers in connection with a possible restructuring of the US\$725 million 8.0% Senior Notes due July 2022 and/or the US\$400 million 7.0% Senior Notes due February 2025.

Conference call

Nostrum's management team will present the Q1 2020 Financial Results and will be available for a Q&A session with analysts and investors today at 14.00 pm BST, 19 May 2020. If you would like to participate in this call, please register by clicking on the following link and following instructions: [Results Call](#)

[Download: Q1 2020 Results Presentation](#)

[Download: Q1 2020 Financial Statements](#)

LEI: 2138007VWEP4MM3J8B29

Further information

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

Further enquiries

Nostrum Oil & Gas PLC – Investor Relations

Kirsty Hamilton-Smith

+44 203 740 7433

ir@nog.co.uk

Instinctif Partners - UK

Mark Garraway

Sarah Hourahane

Dinara Shikhametova

+ 44 (0) 207 457 2020

nostrum@instinctif.com

Notifying person

Thomas Hartnett

Company Secretary

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.