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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Zhaikmunai LLP

Proposed acquisition of Oil & Gas assets in North West Kazakhstan

Uralsk, 10 March 2023

Zhaikmunai LLP, a subsidiary of Nostrum Oil & Gas PLC ("**Nostrum**" or "**the Company**" and together with its subsidiaries "**the Group**"), 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 Nostrum has agreed, subject to certain conditions, to acquire 80% of Positive Invest LLC ("**Positive Invest**"), which holds the subsoil use right to the contract No. 25 for estimation, development and production of hydrocarbons for the area "Kamenskoe" and the development area "Kamensko-Teplovsko-Tokarevskoe" (the "**Stepnoy Leopard Fields**") in the West Kazakhstan region of the Republic of Kazakhstan dated 3 March 1995 (as amended from time to time) (the "**Positive Invest Contract**"), for US\$20 million (less a modest amount of debt owed to Nostrum Oil & Gas Coöperatief U.A) (the "**Proposed Acquisition**").

Management estimates that the Stepnoy Leopard Fields hold between 50 mmbob and 150 mmbob of recoverable volumes which are considered contingent resources, with over 20% estimated to be liquids. There are eight fields within the licences with over 100 wells drilled in the Soviet era which have confirmed hydrocarbons to be present. The resources are considered by management to be contingent due to the appraisal and development risks, noting the fields have not previously been developed in part due to the lack of related infrastructure. If the Proposed Acquisition completes, Nostrum plans to implement an appraisal programme in 2023, with the intention of preparing a technical expert's report which could allow re-classification of certain of the hydrocarbon resources into reserves.

The Proposed Acquisition will enable Nostrum to tie-in further resources in the region that can be processed at the Company's gas treatment facilities. An affiliate of the Company shall be appointed as the operator of the Positive Invest Contract.

Key Highlights of the Stepnoy Leopard Fields

- The Stepnoy Leopard Fields are located approximately 60-120km west of Nostrum's Chinarevskoye field and within 10km of its oil and condensate loading terminal at Beles;
- The Fields consist of two licences with eight fields shown to contain hydrocarbons;
- In excess of 100 wells across the eight fields were drilled during the Soviet era, confirming the existence of hydrocarbons at the Stepnoy Leopard fields at a depth of around 3,000 metres. The fields were not previously developed with their own standalone infrastructure;
- Nostrum will work with Positive Invest to determine the field development plans for each of the eight fields under the Positive Invest Contract and submit them to the Republic of Kazakhstan's Ministry of Energy (the "**Ministry of Energy**") for approval for tieback to Nostrum's existing infrastructure, thereby improving the fields' economic viability; and
- The Positive Invest Contract is currently due to expire in December 2044.

Arfan Khan, Chief Executive Officer of Nostrum, commented:

"We are pleased to announce the proposed acquisition of a majority interest in Positive Invest, whose assets are complementary to our own and which we know well. We look forward to working with the relevant stakeholders to appraise the known potential and develop additional resources which can be part of the continuing expansion of operations at our world-class gas treatment facility in Kazakhstan."

Overview of the Proposed Acquisition

A Sale and Purchase Agreement (the "**SPA**") has been entered into between Mr. Nurzhan Bekshenov and Mr. Vyacheslav Kim (the "**Sellers**") and Nostrum Oil & Gas Coöperatief U.A., a wholly owned subsidiary of Nostrum, for the acquisition by Nostrum of an 80% interest in Positive Invest (which holds 100% of the subsoil use rights to the Stepnoy Leopard Fields). The remaining 20% of Positive Invest shall be retained by the Sellers.

The Proposed Acquisition is subject to certain conditions precedent, including:

- consent being granted by the Ministry of Energy for the transfer of ownership of 80% of Positive Invest;
- approval being given by the Agency for Protection and Development of Competition of the Republic of Kazakhstan under applicable antimonopoly regulations in Kazakhstan; and
- entry into an operating services agreement with an affiliate of the Buyer in respect of the Positive Invest Contract fields.

The Sellers have no role within Nostrum and following completion of the Proposed Acquisition will not hold any role within Nostrum.

The SPA has a long stop date of 30 June 2023, by which time all conditions precedent in relation to the Proposed Acquisition must be achieved.

Financial effects of the Proposed Acquisition on Nostrum

The total aggregate consideration will be funded out of Nostrum's existing cash reserves, and approximately US\$8.5 million in historical costs incurred by Nostrum will be recovered prior to any financial recovery by the Sellers.

The future development of the Stepnoy Leopard Fields will be determined in the development programme to be approved by the authorities in Kazakhstan. The development concept foresees the construction of a raw-gas pipeline to the Chinarevskoye gas processing facilities.

Positive Invest has no material assets outside of owning the Positive Invest Contract.

Disclosure of inside information in accordance with Article 17 of Regulation (EU) 596/2014 (16 April 2014) relating to Nostrum Oil & Gas PLC.

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Further information

For further information please visit www.nostrumoilandgas.com

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About the Group

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 Astana International Exchange (ticker symbol: NOG) and the Kazakhstan Stock Exchange (ticker symbol: GB_NTRM). The principal producing asset of Nostrum Oil & Gas PLC is the Chinarevskoye field, which is operated by Zhaikmunai LLP, a wholly-owned subsidiary of Nostrum Oil & Gas PLC and the sole holder of the subsoil use rights to develop the 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 relevant 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.