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FOR IMMEDIATE RELEASE

Zhaikmunai LLP

Operational Update for the first quarter ending 31 March 2022

Uralsk, 6 May 2022

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 Nostrum's operational update in respect of the three months ended 31 March 2022.

Q1 2022 Highlights:

Operational

- Daily production after treatment averaged 14,683 boepd (Q1 2021: 19,341 boepd).
- Daily sales volumes for averaged 14,059 boepd (Q1 2021: 17,419 boepd).
- The Group continues its well and reservoir management strategy through well workovers and rigless well intervention in 2022. The programme proves to be non-capital intensive and offers reasonable risk/reward in the absence of drilling.
- The Group will shortly upgrade its facilities and build a short pipeline to receive Ural Oil & Gas LLP ("Ural OG") feedstock still planned by Q4 2023.
- We note that recent geopolitical events, including the unrest in Kazakhstan in early Q1 2022 and the ongoing Russia-Ukraine conflict, have had no operational impact to our business to date. The Directors are cognisant of the current and evolving sanctions list against Russian individuals and entities and have ensured the Group has conducted ongoing operations in compliance with these sanctions.
- The Group continues to protect the safety of all staff and contractors in light of COVID-19 and mitigate any impact on operations. To date, no production has been lost because of COVID-19.

Financial

- Q1 2022 revenues expected to be in excess of US\$60m (Q1 2021: US\$46.2m).
- The Group's unrestricted cash position as at 31 March 2022 was in excess of US\$180m (31 December 2021: US\$165.2m). US\$22.7m remains held in a restricted account as at 31 March 2022.
- Continued focus on cost optimisation to help manage our liquidity.

- Shareholders approved the restructuring resolution at the General Meeting convened on 29 April 2022 with 99.99% voting in favour of the terms agreed between the Group and its noteholders.

Sustainability

- Zero fatalities during operations to employees and contractors (Q1 2021: zero).
- Zero Lost Time Injury (“LTI”) (Q1 2021: zero)
- 1 Total Recordable Incidents (“TRI”) (Q1 2021: zero).
- 79% of staff vaccinated against COVID-19 as at 31 March 2022.
- 1,250 tonnes of air emissions emitted in Q1 2022 against 6,413 tonnes permitted for 2022 under the Kazakhstan Environmental Code.

Arfan Khan, Chief Executive Officer of Nostrum Oil & Gas, commented:

“In the first quarter, we operated with no fatalities or severe injury, while the number of staff vaccinated against COVID-19 increased by a further four employees. Our mission is to operate in a safe and sustainable way, and I am thankful we achieved this in the first three months of 2022.

I am pleased our shareholders have recently voted in favour of the restructuring terms that were agreed by the Company and noteholders at the end of year under the Lock-Up Agreement. We have now a fully supported commercial structure that allows us to plan for the future with an enhanced degree of certainty. We acknowledge there are still several milestones to achieve including Republic of Kazakhstan State consent for the restructuring, but we are confident of reaching the end goal by Q3 this year.

Our production at Chinarevskoye continues its natural decline, but we are using our best reservoir management efforts to offset some of this through the cost effective rigless well intervention and workover programme. We are still exploring commercial and viable targets for drilling on the field, and will only reinstate a drilling rig once any programme is sufficiently de-risked through studies and peer reviews.

I am also very proud of our Group for continuing to operate the field and conduct business as usual despite the political unrest that took place in Kazakhstan in January this year. No employee was harmed and there was no impact to our business. The sanctions resulting from the Russia-Ukraine conflict has had no impact on our ability to conduct business despite our close business ties and proximity to Russia. We have kept a close eye on the evolving sanctions lists and have ensured, and will continue to ensure, all our activities are conducted in line with these sanctions.

We continued the trend of building cash on our balance as we ended Q1 with over US\$180m. This, along with the restructuring progressing well, I believe we can seriously push our agenda of pivoting towards growth and transitioning into a multi-asset energy company. Works on the Ural Oil & Gas LLP gas tie-up will begin this year, which will undoubtedly form the blueprint for other spare capacity monetisation initiatives to evolve.”

Sales volumes

The sales volume split for Q1 2022 was as follows :

Products	Q1 2022 volumes (boepd)	Q1 2022 product mix (%)	Q1 2021 volumes (boepd)	Q1 2021 product mix (%)
Crude Oil	3,359	23.9%	3,919	22.5%
Stabilised Condensate	3,117	22.2%	3,368	19.3%



LPG (Liquid Petroleum Gas)	2,024	14.4%	2,294	13.2%
Dry Gas	5,558	39.5%	7,838	45.0%
Total	14,059	100.0%	17,419	100.0%

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

Release of Nostrum's Q1 2022 Financial Results

Nostrum plans to release its unaudited and unreviewed interim condensed consolidated accounts for the period ending 31 March 2022 on 24 May 2022.

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Further information

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

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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 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.

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 Group 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 Zhaikmunai LLP or the Company or any other entity, and shareholders of the Company and bondholders of Zhaikmunai LLP are cautioned not to place undue reliance on the forward-looking statements. Save as required by the relevant listing rules and applicable law, neither Zhaikmunai LLP nor the Company undertakes to update or change any forward-looking statements to reflect events occurring after the date of this announcement.