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**Gulf Keystone Petroleum Ltd. (LSE: GKP)**  
("Gulf Keystone", "GKP" or "the Company")

**Shaikan Payment Update**

Gulf Keystone confirms that a gross payment of \$34.3 million (\$26.9 million net to GKP) has been received from the Kurdistan Regional Government ("KRG") for Shaikan crude oil sales during September 2022.

The payment reflects a new pricing mechanism proposed by the Ministry of Natural Resources ("MNR") for Shaikan crude oil sales, effective 1 September 2022. Under this mechanism, the realised price for September reflects the average price for the Kurdistan Blend ("KBT") sold by the KRG at Ceyhan in Turkey, adjusted for a quality discount and transportation costs for use of export pipelines.

For Shaikan crude oil sales in September 2022, the new pricing mechanism results in an approximately \$11/bbl reduction in the realised price versus the previous pricing mechanism leading to a discount to Dated Brent of approximately \$34/bbl. The impact on net payment is \$5.3 million.

The following table summarises pricing information for KBT published by the KRG for the months from September 2022 to January 2023, including the impact on Shaikan realised prices versus the previous pricing mechanism:

(\$/bbl)	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
Dated Brent	90	93	92	81	83
KBT	72	75	72	63	67
Impact on Shaikan realised price	(11)	(12)	(13)	(12)	(10)

If the new pricing mechanism had been in place throughout 2022, the reduction in monthly Shaikan realised prices would have ranged from \$4/bbl to \$13/bbl versus the previous pricing mechanism, assuming KBT crude specs during Q3 2022 were representative of those during H1 2022. Given fluctuations between Dated Brent and KBT, and the widening differential in 2022 driven in part by competition with heavily discounted Russian crude, the future KBT discount to Dated Brent, and associated impact on Shaikan realised prices, is uncertain.

The Company continues to engage with the MNR regarding the proposed pricing mechanism and amendment to the Shaikan Lifting Agreement.

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**Notes to Editors:**

Gulf Keystone Petroleum Ltd. (LSE: GKP) is a leading independent operator and producer in the Kurdistan Region of Iraq. Further information on Gulf Keystone is available on its website [www.gulfkeystone.com](http://www.gulfkeystone.com)

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