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FOR IMMEDIATE RELEASE

London, 20 August 2024

### **Financial Results for the second quarter and six months ended 30 June 2024**

Nostrum Oil & Gas PLC (LSE: NOG) ("**Nostrum**", or the "**Company**" and together with its subsidiaries, the "**Group**"), an independent mixed-asset energy company with world-class gas processing facilities and export hub in north-west Kazakhstan, today announces its financial results for the second quarter and six months ended 30 June 2024 ("H1 2024").

Nostrum's management team will present the H1 2024 results and will be available for a Q&A session with analysts and investors today, 20 August 2024, at 2pm UK time. If you would like to participate in this call, please register by following the instructions provided in this link: [Results Call](#)

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

"I am pleased to share the Group's results for H1 2024. We delivered solid operational and financial performance during this period, while also reaching key milestones that are strategically important for the Company's transformation into a mixed-asset energy company.

An increase of 44% in EBITDA for the first half of 2024, compared to the same period last year, along with a net positive operating cash flow during this period, highlights the successful initial results of the Company's new strategy, which includes processing third-party hydrocarbons from neighbouring Ural Oil & Gas LLP.

In April we announced our final investment decision for the initial development phase of the Stepnoy Leopard Fields, followed by the release of the Stepnoy Leopard Competent Person's Report in July, which added 110 mmboe net to Nostrum's 2P reserves base, at an estimated NPV10 of approximately US\$220 million.

As always, health and safety remain our priority, as we focus on operational excellence and continue managing our liquidity to maximise value for all our investors and stakeholders."

#### **H1 2024 Highlights:**

##### **Financial**

- Revenues of US\$65.3 million, a 23.7% increase compared to US\$52.8 million in H1 2023, resulting from additional sales volumes of dry gas and LPG produced from Ural Oil & Gas LLP ("Ural O&G") and US\$3.9 million of condensate tolling revenue. Brent crude oil price increased from an average of US\$79.7/bbl in H1 2023 to an average of US\$83.7/bbl in H1 2024.
- 44% increase in EBITDA<sup>1</sup> of US\$22.3m (H1 2023: US\$15.5m) with EBITDA margin of 34.2% (H1 2023: 29.4%). The increase is primarily driven by increased production and revenues as well as prudent cost management.
- The Group's unrestricted cash balance as at 30 June 2024 was US\$142.5 million, including current investments in fixed term deposits and liquid money market funds. Excluding one-off items, our closing unrestricted cash position at the end of June would have been US\$158.4m, a slight decrease from the 2023 year-end cash balance of US\$161.7m.
- The restricted cash balance (DSRA and asset liquidation fund) was US\$25.5 million as at 30 June 2024 (31 March 2024: US\$25.2 million).
- The Group continues to focus on maximising facility uptime, controlling costs and improving efficiencies across all facets of our business, while allocating and efficiently utilising existing resources on growth projects.

##### **Operational**

- **Production and sales**
  - Daily production averaged 12,220 boepd (H1 2023: 10,048 boepd), a 22% increase driven by:

- o Additional volumes of dry gas and LPG produced from processing raw gas received from Ural O&G at Nostrum's gas processing facilities.
  - o Successful launch of the gas-lift system expansion in July 2023, which doubled its capacity and helped to slow down the production decline from the maturing Chinarevskoye field.
  - o Additional LPG production from GTU-3 owing to improved yield by around 20%.
- The production volume split for H1 2024 was as follows:

Products	H1 2024 volumes (boepd)	H1 2024 product mix (%)	H1 2023 volumes (boepd)	H1 2023 product mix (%)
Crude Oil	2,393	19.6%	2,723	27.1%
Stabilised Condensate*	1,850	15.1%	1,898	18.9%
LPG (Liquid Petroleum Gas)	1,983	16.2%	1,258	12.5%
Dry Gas	5,994	49.1%	4,169	41.5%
<b>Total</b>	<b>12,220</b>	<b>100.0%</b>	<b>10,048</b>	<b>100.0%</b>

\*Stabilised condensate volumes exclude Ural O&G processed volumes for which Nostrum receives a tolling fee

- Daily sales volumes averaged 10,475 boepd for H1 2024 (H1 2023: 9,020 boepd). The difference between production and sales volumes is primarily due to the internal consumption of dry gas produced and may also include inventory increases or decreases at period end.
- **Chinarevskoye drilling programme**  
The well No.301 was put into production in May 2024, with initial flow rates in line with the management's expectations. The sidetrack well No.41 completion is expected in Q3 2024.
- **Stepnoy Leopard Fields**  
Following the final investment decision for the initial development phase of the Stepnoy Leopard Fields in March 2024, Nostrum released the full-field development Stepnoy Leopard CPR, an evaluation of reserves and resources as of 1 January 2024 prepared by Xodus Group Limited. The full-field development Stepnoy Leopard CPR resulted in addition of 110 mmbbl (80% working interest) net 2P reserves with US\$220m after-tax net (80% working interest) NPV10 and 34% IRR.
- **Ural O&G third-party processing**  
Throughout H1 2024 the Company continued processing Ural O&G raw gas from the U-21 well in the Rozhkovskoye field. The tie-back of an additional four wells during 2024 is expected to increase processing to 1.5 Mm<sup>3</sup>/day of raw gas (Ural O&G (MOL) guidance).

## Sustainability and HSE

- Zero fatalities among employees and contractors during operations in H1 2024 (H1 2023: zero).
- Total Recordable Incidents Rate (incidents per million man-hours) of 0.64 for H1 2024 (H1 2023: 1.0).
- Zero Lost Time Injury Rate (incidents per million man-hours) for H1 2024 (H1 2023: zero).
- 2,590 tonnes of air emissions emitted in H1 2024 against 5,983 tonnes permitted for 2024 under the Kazakhstan Environmental Code.
- Improved independent ESG Risk Rating of 29.2 (end of 2023: 30.1), moving Nostrum to Medium risk category.

Notes to press release

<sup>1</sup> EBITDA is a non-IFRS measure and is defined as profit before tax net of depreciation, depletion and amortisation, share-based compensation, foreign exchange losses, finance costs, finance income, non-core income or expenses and taxes.

The Company's results materials are available to download from Nostrum's website:

[Download: H1 2024 Results Presentation](#)

[Download: H1 2024 Interim Financial Report](#)

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**Further information**

For further information please visit <https://www.nostrumoilandgas.com/>

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About Nostrum Oil & Gas

Nostrum Oil & Gas PLC is an independent mixed-asset energy company with world-class gas processing facilities and export hub in north-west Kazakhstan. 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 which is operated by its wholly-owned subsidiary Zhaikmunai LLP, which is the sole holder of the subsoil use rights with respect to the development of the Chinarevskoye field. The Company also owns an 80% interest in Positive Invest LLP, which holds the subsoil use rights for the "Kamenskoe" and "Kamensko-Teplovsko-Tokarevskoe" areas in the West Kazakhstan region (the Stepnoy Leopard Fields).

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.

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