



8 October 2024

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

**Update on shareholder distributions**

*Declaration of 20 million interim dividend*

*Launch of up to 10 million share buyback programme*

Gulf Keystone, a leading independent operator and producer in the Kurdistan Region of Iraq, is pleased to provide an update on its approach to shareholder distributions in the current local sales environment.

**Jon Harris, Gulf Keystone's Chief Executive Officer, said:**

*"We have long recognised the importance of distributions to Gulf Keystone shareholders and we were pleased to be able to restart returns of excess cash earlier in the year with free cash flow generation from local sales. As our liquidity continues to improve, we are today setting out an updated approach to shareholder distributions in the current local sales environment, which includes plans to review the Company's capacity to declare an interim dividend on a semi-annual basis around our Full Year and Half Year Results. In line with this approach, we have decided to declare a 20 million interim dividend and initiate a share buyback programme of up to 10 million."*

**Update on shareholder distributions**

Gulf Keystone is today setting out an updated approach to shareholder distributions in the current local sales environment to enable investors to better evaluate the prospect of future returns ahead of the restart of Kurdistan exports. While local sales remain difficult to predict beyond the near term (given market demand dynamics or the upcoming PF-1 shutdown planned for safety-critical upgrades and maintenance in November), demand for Shaikan Field crude has continued to be robust. Gross average production was c.48,500 bopd in September and c.45,900 bopd in October to date - with realised prices stable at c. 27-28/bbl - bringing 2024 year-to-date average production to c.42,300 bopd as at 6 October 2024 and enabling free cash flow generation. The Company's cash balance was 110 million as at 7 October 2024.

The Company is committed to returning excess cash to shareholders. Looking ahead, the Board plans to review the Company's capacity to declare an interim dividend on a semi-annual basis around the time of the Full Year Results and Half Year Results. Furthermore, share buybacks will be considered opportunistically throughout the year.

In determining the level of shareholder distributions, the Board will assess the Company's liquidity needs to:

- fund essential investment in the Shaikan Field focused on safety, reliability and maintaining and optimising production levels, with a year of capital expenditures and costs evaluated as the primary reference point
- ensure the Company is able to transition successfully from local sales to the restart of Kurdistan exports and normalisation of Kurdistan Regional Government ("KRG") payments

The Board will also assess the Company's operating environment, in particular the outlook for local sales volumes and prices.

Following the reopening of the export pipeline and normalisation of payments by the KRG, the Board plans to provide an update on the Company's approach to distributions.

**20 million interim dividend**

Following the recent publication of the Company's Half Year Results, Gulf Keystone today announces the declaration of a 20 million interim dividend. The dividend is equivalent to 9.216 US cents per Common Share based on the Company's total issued share capital as at 7 October 2024 and will be paid on 31 October 2024, based on a record date of 18 October 2024 and ex-dividend date of 17 October 2024. Shareholders will have the option of being paid the dividend in either GBP or USD, with the default currency GBP.

## Launch of up to 10 million share buyback

In line with the Company's updated approach to shareholder distributions, the Company has decided to initiate a share buyback programme (the "Buyback Programme") of the Company's Common Shares of 1.00 each ("Shares") for up to a maximum aggregate consideration of 10 million (the "Maximum Amount").

The Buyback Programme will be executed in accordance with the Company's authority to make on-market purchases of Shares which was approved by shareholders at the Company's AGM on 21 June 2024.

The Company has entered into an agreement with its brokers, Canaccord Genuity Limited ("Canaccord Genuity") and Peel Hunt LLP ("Peel Hunt") (together the "Brokers"), to carry out on-market purchases of Shares up to the Maximum Amount within agreed parameters on an irrevocable and non-discretionary basis. Purchases of Shares will be made on the Company's behalf in accordance with the agreement with the Brokers and may continue independently of and uninfluenced by the Company during any closed period to which the Company is subject and/or if the Company comes into possession of inside information. The Company has agreed the Buyback Programme will commence immediately and will run to the earlier of its completion or 31 December 2024.

So long as the Company is not in a closed period to which it is subject nor in possession of inside information (an "Open Period") the Company may elect to terminate the non-discretionary nature of the mandate. The Company may subsequently choose to reinstate the non-discretionary mandate of the Buyback Programme provided that the Company is in an Open Period at that time.

The Buyback Programme will be carried out on the London Stock Exchange and will be implemented within certain agreed parameters, including the price parameters under the relevant shareholder authority and, except as disclosed in this announcement, the safe harbour provisions set out in the Market Abuse Regulation (EU) 596/2014 (as it forms part of UK law pursuant to the European Union (Withdrawal) Act 2018) (the "Regulations") and the applicable laws and regulations of the London Stock Exchange.

A buyback of Shares on any trading day may represent a significant portion of the daily trading volumes in the Shares and may exceed 25% of the average daily trading volume specified in the safe harbour provisions of the Regulations dealing with buyback programmes and accordingly the Company may not benefit from the exemption in Article 5(1) of that regulation.

The sole purpose of the Buyback Programme is to reduce the capital of the Company. As such, all Shares purchased under the Buyback Programme will be cancelled.

The Company will make announcements and publish on its website details of any Share repurchases.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Regulations. Upon the publication of this announcement, this inside information is now considered to be in the public domain and the Company confirms that it currently has no inside information.

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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)

### Disclaimer

This announcement contains certain forward-looking statements that are subject to the risks and uncertainties associated with the oil & gas exploration and production business. These statements are made by the Company and its Directors in good faith based on the information available to them up to the time of their approval of this announcement but such statements should be treated with caution due to inherent risks and uncertainties, including both economic and business factors and/or factors beyond the Company's control or within the Company's control where, for example, the Company decides on a change of plan or strategy. This announcement has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. This announcement should not be relied on by any other party or for any other purpose.

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