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For Immediate Release

13 July 2015s

Nostrum Oil & Gas plc

Approach to Board of Tethys Petroleum Limited ("Tethys") regarding a possible offer

Nostrum Oil & Gas PLC (LSE: NOG) ("Nostrum") announces that, following the recent announcements by Tethys regarding its strategic collaboration with and financing by AGR Energy, Nostrum has made a further approach to the Board of Tethys regarding a possible offer for the entire issued share capital of Tethys. Additionally, Nostrum has indicated that in connection with the possible offer it is prepared to provide interim funding to Tethys on terms at least as advantageous to Tethys as those proposed by AGR Energy to support short term liquidity for Tethys, both prior to any shareholder vote and following such shareholder vote whilst any regulatory approvals are obtained.

The possible offer Nostrum has proposed to the Board of Tethys would provide for a price of C\$0.2185 per Tethys share (whether in cash or Nostrum shares or a combination of both, as determined by Nostrum). This price represents a premium of 15% to the price at which AGR Energy has agreed to subscribe for new ordinary shares in Tethys (as announced by Tethys on 1 July 2015). This price represents a premium of 46% to the closing market price of an ordinary share on the TSX of C\$0.15 on 9 July 2015 and a premium of 143% to the closing market price of an ordinary share on the TSX of C\$0.09 on 14 May, the day prior to the announcement by Tethys of a convertible loan financing with AGR Energy.

Nostrum is seeking a recommendation from the Tethys board regarding its proposal and a decision to proceed with the possible offer from Nostrum in place of the arrangements with AGR Energy. Nostrum notes that Tethys has extended the period of exclusivity granted to AGR Energy. Any offer for Tethys will be subject to the completion of customary due diligence by Nostrum. However, no firm decision has been made by Nostrum regarding any offer.

This announcement is not an announcement of a firm intention to make an offer for Tethys (an "Offer") and there can be no certainty that any Offer will be made, nor as to the terms on which any Offer might be made. Any Offer for Tethys is not expected to be subject to the provisions of The City Code on Takeovers and Mergers.

Any further announcements will be made in due course as appropriate.

Further information

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

Further enquiries

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About Nostrum Oil & Gas

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. In addition, Nostrum Oil & Gas holds a 100% interest in and is the operator of the Rostoshinskoye, Darinskoye and Yuzhno-Gremyachenskoye oil and gas fields through the same subsidiary. Located in the pre-Caspian basin to the north-west of Uralsk, these exploration and development fields are situated approximately 60 and 120 kilometres respectively from the Chinarevskoye 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 or 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 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.

Additional Information

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