

Astar Minerals plc is pleased to announce that it has signed a joint venture agreement ('the Agreement') with Nogal Holdings LLC ('Nogal'), an experienced operator of oil and gas properties in the US and Mexico, to jointly evaluate, acquire and develop oil and gas concessions in Mexico. This Agreement is in line with Astar's strategy to explore investment opportunities in Mexico's energy sector which is being reopened to the private sector to attract greater foreign investment and expertise with which to develop its substantial hydrocarbon reserves.

Under the terms of the Agreement, Astar will hold a 51% interest in any concession secured through the joint venture and will be responsible for raising capital to fund exploration and/or development. Nogal will be designated the operator of the relevant concession and will be assigned a 49% interest. Astar and Nogal each have the right to participate in any concessions in Mexico being acquired by either party. In addition Nogal has agreed to assist Astar in accessing relevant data and records relating to any concessions identified by either party including but not limited to oil and gas leases, farm-outs, drilling contracts, geological and geophysical data and well production data. All concessions jointly secured by Astar and Nogal will be held in a special purpose vehicle which will be incorporated in a suitable jurisdiction. A management committee, comprised of two representatives each from Astar and Nogal, will be set up to oversee the partnership.

Astar's Chief Executive Officer Stefan Olivier said "In Nogal, we have found a well-connected and experienced partner with whom Astar can participate in the reopening Mexican energy sector. The size of the opportunity is clear: Mexico is already a top ten global oil producer and has huge quantities of untapped conventional and unconventional reserves. To develop these vast reserves requires foreign capital and expertise. Together, Astar and Nogal are well-placed to deliver on both these counts with our proven ability to source and raise capital in the financial markets well-matched with the operational track record of Nogal's management team both in US onshore formations and Mexico itself. Further updates on the partnership's progress in securing opportunities in the Mexican energy sector will be provided to the market in due course."