

**27 March 2023**

**HKN Energy – Update on Kurdistan pipeline exports**

HKN was notified on March 25 that the Iraq-Turkey pipeline was shut in at Turkey's request. This follows reports of a favorable ruling for Iraq in its arbitration case against Turkey which dates back to 2014.

Based on public comments from the Prime Minister of Kurdistan, HKN remains optimistic that the situation will be resolved in the near term.

Our storage facilities are approaching capacity and we will be shutting in operations within a week if no resolution is reached and assuming we find no other alternatives (such as sales to local Kurdish refineries).

HKN has called on officials in the US Government to encourage all parties to seek an amicable resolution in an expedited manner. We would look favorably on any solution which honors the sanctity of our contracts and provides for the surety of oil sales payments under those agreements. We believe a quick resolution is in the best interest of all Iraqi people including those in the Kurdistan region.

The Kurdistan Region of Iraq's federal rights are enshrined in the Iraqi Constitution which has resulted in international investment in Kurdistan from around the globe. It is important that all parties work together to ensure that the investment climate in Kurdistan remains healthy and productive.