



**Vista Oil & Gas enters into an investment agreement to create Aleph,
the first midstream company focused on Vaca Muerta**

Mexico City, June 27, 2019 – Vista Oil & Gas, S.A.B. de C.V. (“Vista” or the “Company”) (BMV: VISTA) today announced that it has entered into an investment agreement with two renowned financial sponsors, which are affiliates of Riverstone, a company with a successful track record of building independent midstream companies across North America, and Southern Cross Group, one of the largest and longest-standing Latin America-focused private equity firms, and certain individual co-sponsors (the “Financial Sponsors”) to create Aleph Midstream S.A., a midstream company in Argentina (“Aleph Midstream” or “Aleph”). Under the terms of this agreement and other related agreements, subject to the satisfaction of certain conditions precedent, including obtaining certain regulatory approvals, the Financial Sponsors expect to contribute up to \$160 million in the aggregate to Aleph Midstream, in exchange for a controlling interest of up to 78.4% of Aleph Midstream’s total equity and we expect to contribute a majority of our midstream assets located in the Neuquina basin, valued at approximately \$45 million, to Aleph Midstream, in exchange for an equity interest in Aleph Midstream of at least 21.6%. Aleph expects to use the proceeds to fund the construction of the midstream assets which are necessary for the gathering, processing and evacuation of our oil and gas production in the Neuquina basin located in Argentina, including the Vaca Muerta shale play. Aleph Midstream expects to provide midstream services to Vista, which may include the gathering, processing and evacuation of the oil and gas production of our Bajada del Palo Oeste shale development in Vaca Muerta as well as our conventional production in the Neuquina basin.

If the arrangements are fully implemented:

- Aleph is expected to become the first midstream player focused on providing gathering, processing and evacuation services for oil and gas production in the Neuquina basin, spearheading a new paradigm for the development of this shale play built on the concept of long-term partnerships with upstream-focused producers;
- Aleph expects to manage the major part of Vista’s aforementioned facilities in the Neuquina basin and deploy the necessary capital to build additional facilities to service Vista’s incremental oil and gas volumes and that of the new clients it intends to service.

The growth of production of oil and gas from the Vaca Muerta shale formation in Argentina has created a need for gathering, processing and evacuation midstream investments, as well as potential needs for oil and gas storage, condensates handling and additional oil and gas trunk pipeline capacity. By providing midstream services, Aleph Midstream could allow upstream players to focus on their core E&P activities. The history of unconventional plays in the United States shows that offloading midstream capital to a third party could allow for a potentially more rapid production growth. Moreover, joint oil and gas evacuation systems may result in synergies that individual operators cannot materialize alone, which should drive down development and lifting costs in the basin.

Finally, we anticipate that, if certain required regulatory approvals relating to the concession titles to certain midstream assets to be obtained by Vista and assigned to Aleph Midstream are not obtained by the earlier of (i) the date on which the Financial Sponsors have contributed \$75 million in Aleph Midstream, or (ii) 11 months from the closing of the transaction relating to Aleph Midstream, the Financial Sponsors will have the right to exercise a put option to sell to us all of their interests in Aleph Midstream at a price which shall account for the return of such Financial Sponsor’s cash contribution to Aleph Midstream, plus an agreed interest and we will have twelve months to effect such payment.

Related Party Transaction Disclosure

We expect to hold an indirect equity interest of 21.6% in Aleph Midstream. In addition, certain officers of Vista, including our Chairman and CEO, Miguel Galuccio, expect to initially make cash contributions on the same terms as Riverstone and Southern Cross, granting them indirectly in the aggregate approximately 1.4% of the equity interest invested by the financial sponsors in Aleph Midstream. Pursuant to certain agreements among the Financial Sponsors, such officers may, over time, and subject to certain economic results, become entitled to up to 13.6% of the economic interests of the Financial Sponsors in Aleph Midstream.

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