

5 December 2016

**Volga Gas plc**  
 (“Volga Gas”, the “Company” or the “Group”)

**PRODUCTION REPORT FOR NOVEMBER 2016**

Volga Gas plc, the oil and gas exploration and production group operating in the Volga Region of Russia, is pleased to its average production volumes for November 2016 and for the year to date.

During November 2016, gas processing capacity was temporarily reduced while undertaking the testing of new chemicals for gas sweetening, as well as planned maintenance downtime of the plant for one week. Consequently, average Group production for November 2016 was 5,454 barrels of oil equivalent per day (27% lower than October 2016).

Monthly production comprised:

	<b>November 2016 average</b>	<b>Jan-Nov 2016 average</b>
Gas:	19.8 mmcf/d	24.8 mmcf/d
Condensate	1,130 bpd	1,534 bpd
Oil	1,026 bpd	689 bpd
<b>Total</b>	<b>5,454 boepd</b>	<b>6,363 boepd</b>

Production data is based on monthly production reports submitted to tax authorities for Mineral Extraction Tax purposes.

The chart below shows the monthly production since January 2015



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**Editors' notes:**

The information contained in this announcement has been reviewed and verified by Mr. Andrey Zozulya, Chief Executive Officer of Volga Gas plc, for the purposes of the Guidance Note for Mining, Oil and Gas companies issued by the London Stock Exchange in June 2009. Mr. Andrey Zozulya holds a degree in Geophysics and Engineering from the Groznensky Oil & Gas Institute and is a member of the Society of Petroleum Engineers.

This announcement contains inside information as defined in EU Regulation No. 596/2014 and is in accordance with the Company's obligations under Article 17 of that Regulation.

The Company records production in metric tonnes (for oil and condensate) and in cubic metres (for gas). Conversions from metric to standard oil field units are used for illustrative purposes only and are based on the Company's estimate of the applicable ratios. The ratios used are 7.833 barrels per tonne for oil and 8.75 barrels per tonne for condensate. Gas volumes are translated using 35.3 cubic feet per cubic metre and 6,000 cubic feet per barrel of oil equivalent.

**Glossary:**

bpd	Barrels per day
boepd	Barrels of oil equivalent per day
mmcfd	Millions of standard cubic feet per day