

2 March 2017

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

**PRODUCTION REPORT FOR FEBRUARY 2017**

Volga Gas plc, the oil and gas exploration and production group operating in the Volga Region of Russia, is pleased to announce its average production volumes for February 2017.

In February 2017, gas processing capacity continued to run at maximum level without significant disruptions. The average production in February 2017 was 8,022 barrels of oil equivalent per day (2% lower than January 2017).

Average production comprised:

	<b>February 2017 average</b>	<b>January 2017 average</b>	<b>Jan-Feb 2017 average</b>
Gas:	32.5 mmcf/d	33.5 mmcf/d	33.0 mmcf/d
Condensate	1,918 bpd	1,826 bpd	1,870 bpd
Oil	693 bpd	770 bpd	734 bpd
<b>Total</b>	<b>8,022 boepd</b>	<b>8,176 boepd</b>	<b>8,103 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