



PRODUCTION REPORT FOR OCTOBER 2018

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Volga Gas PLC
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Volga Gas plc
("Volga Gas", the "Company" or the "Group")

PRODUCTION REPORT FOR OCTOBER 2018

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 October 2018.

In October 2018, average gas processing capacity utilisation increased by 24% compared to September 2018 when the Company experienced a decrease in production due to the Gazprom pipeline maintenance programme.

The average production in October 2018 was 6,071 barrels of oil equivalent per day (22% higher than September 2018).

Average production comprised:

	October 2018 Average	September 2018 Average	Jan-Oct 2018 Average
Gas:	22.5 mmcfd	18.8 mmcfd	18.1 mmcfd
Condensate	1,344 bpd	1,138 bpd	1,155 bpd
Oil	541 bpd	360 bpd	628 bpd
LPG	434 bpd	360 bpd	185 bpd
Total	6,071 boepd	4,988 boepd	4,990 boepd

Actual production is in line with management expectations of production at average level of approximately 4,500 boe per day for the year ending 31 December 2018. This excludes incremental volumes from the LPG project, which are expected to add a further 400 boepd once the LPG facility is fully tuned.

Production data is based on preliminary monthly production reports prepared for the purposes of submissions to tax authorities for Mineral Extraction Tax purposes.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

For further information, please contact:

Volga Gas plc

Andrey Zozulya, Chief Executive Officer	+7 (903) 385 9889
Vadim Son, Chief Financial Officer	+7 (905) 381 4377
Tony Alves, Investor Relations Consultant	+44 (0) 7824 884 342

S.P. Angel Corporate Finance LLP

Richard Redmayne, Richard Morrison, Richard Hail

+44 (0) 20 3470 0470

FTI Consulting

Alex Beagley, Fern Duncan

+44 (0) 20 3727 1000

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.

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 and 11.735 barrels per tonne for LPG. Gas volumes are translated using 35.3 cubic feet per cubic meter and 6,000 cubic feet per barrel of oil equivalent.

Glossary

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

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