



PRODUCTION REPORT FOR DECEMBER 2018

Released : 08.01.2019

RNS Number : 4261M
Volga Gas PLC
08 January 2019

8 January 2019

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

PRODUCTION REPORT FOR DECEMBER 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 December 2018 and for the full year 2018.

In December 2018, average gas processing capacity utilisation decreased by 4% compared to November 2018. A minor decrease was caused with few low temperature disruptions.

The average production in December 2018 was 5,803 barrels of oil equivalent per day (4% lower than November 2018).

Average production comprised:

	December 2018	November 2018	Jan-Dec 2018
	Average	Average	Average
Gas:	21.6 mmcf/d	22.5 mmcf/d	18.8 mmcf/d
Condensate	1,298 bpd	1,346 bpd	1,183 bpd
Oil	516 bpd	483 bpd	607 bpd
LPG	393 bpd	435 bpd	223 bpd
Total	5,803 boepd	6,021 boepd	5,144 boepd

Actual production for the year to 31 December 2018 of 5,144 is marginally ahead of management's expectations of 5,000 boe per day including LPG volumes.

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

Vadim Son, Chief Financial Officer

Tony Alves, Investor Relations Consultant

+7 (903) 385 9889

+7 (905) 381 4377

+44 (0) 7824 884
342**S.P. Angel Corporate Finance LLP**+44 (0) 20 3470
0470

Richard Redmayne, Richard Morrison, Richard Hail

FTI Consulting+44 (0) 20 3727
1000

Alex Beagley, Fern Duncan

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
mmcfcd	Millions of standard cubic feet per day

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

DRLUGURCGUPBGQM