



PRODUCTION REPORT FOR APRIL 2020

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

PRODUCTION REPORT FOR APRIL 2020

Volga Gas plc, the oil and gas exploration and production group operating in the Volga Region of Russia, is pleased to provide the following update on its average production volumes for April 2020.

Production Report

The average production in April 2020 was 2,316 barrels of oil equivalent per day (43% lower than March 2020). The reduced gas plant throughput was driven by low demand for gas condensate & LPG in the domestic markets as a consequence of COVID-19 and international oil pricing drop. In addition there was a 5 day shut down for planned plant maintenance.

Average production comprised:

	April 2020 Average	March 2020 Average	Jan-April 2020 Average
Gas:	6.2 mmcf	10.3 mmcf	9.6 mmcf
Condensate	694 bpd	1,623 bpd	1,431 bpd
Oil	479 bpd	492 bpd	484 bpd
LPG	106 bpd	233 bpd	220 bpd
Total	2,316 boepd	4,070 boepd	3,735 boepd

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

As at 30 April, the Group held cash balances of US\$ 10.6 million, and has no debt.

Pricing update

International oil pricing drop had a significant impact on oil / condensate local pricing added with Russian Ruble (RUR) devaluation. Gas price is fixed in RUR but still impacted with local currency devaluation against USD (official Central Bank of Russia exchange rate at the end of April - 73.6894 RUR vs 61.9057 RUR as of January 01, 2020). Average pricing was:

Pricing ex VAT, USD	April 2020 Average	Jan-April 2020 Average
Exchange Rate (RUR/USD)	75.2321	68.5761
Gas price per mcf	1.72	1.88
Condensate price per bbl	12.28	27.85
Oil price per bbl	17.82	33.92
LPG price per bbl	16.99	23.02

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.

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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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