



## PRODUCTION REPORT FOR MAY 2020

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

### PRODUCTION REPORT FOR MAY 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 May 2020.

#### Production Report

The average production in May 2020 was 3,372 barrels of oil equivalent per day (45% higher than April 2020). The increased gas plant throughput was driven by partial recovery demand for gas condensate & LPG in the domestic markets. In addition, there was no repeat of the 5 day planned maintenance shut down as in the prior month.

Average production comprised:

	<b>May 2020 Average</b>	<b>April 2020 Average</b>	<b>Jan-May 2020 Average</b>
Gas:	7.9 mmcfd	6.2 mmcfd	9.3 mmcfd
Condensate	1,343bpd	694 bpd	1,413 bpd
Oil	565 bpd	479 bpd	500 bpd
LPG	146 bpd	106 bpd	205 bpd
<b>Total</b>	<b>3,372 boepd</b>	<b>2,316 boepd</b>	<b>3,661 boepd</b>

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

As at 31 May 2020, the Group held cash balances of US\$ 10.5 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). Average pricing was:

<b>Pricing ex VAT, USD</b>	<b>May 2020 Average</b>	<b>Jan-May 2020 Average</b>
Exchange Rate (RUR/USD)	72.6187	69.4006
Gas price per mcf	1.78	1.86
Condensate price per bbl	14.20	25.15
Oil price per bbl	20.66	31.24
LPG price per bbl	14.90	21.26

#### 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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