



PRODUCTION REPORT FOR SEPTEMBER 2019

Released : 02.10.2019

RNS Number : 5235O
Volga Gas PLC
02 October 2019

2 October 2019

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

PRODUCTION REPORT FOR SEPTEMBER 2019

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 September 2019.

Production Report

The average production in September 2019 was 3,814 barrels of oil equivalent per day (13% lower than August 2019). Lower production resulted primarily from reduced output from the Vostochno-Makarovskoye gas field, partly offset by higher condensate ratio and higher oil production following the start of production from the new slim hole wells.

Average production comprised:

	September 2019	August 2019	Jan-September 2019
	Average	Average	Average
Gas:	10.5 mmcf/d	14.3 mmcf/d	17.9 mmcf/d
Condensate	1,415 bpd	1,354 bpd	1,488 bpd
Oil	474 bpd	394 bpd	415 bpd
LPG	168 bpd	249 bpd	311 bpd
Total	3,814 boepd	4,388 boepd	5,206 boepd

As a result of a more conservative production policy being adopted, management's current expectation for production for the remainder of 2019 is an average of 2,900 boepd, leading to an average of 4,600 boepd for 2019.

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 September, the Group held cash balances of US\$ 12.0 million, and has no debt.

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

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

DRLMTBMTMBIMBAL