



Production Report for October 2019

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

PRODUCTION REPORT FOR OCTOBER 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 October 2019.

Production Report

The average production in October 2019 was 3,134 barrels of oil equivalent per day (18% lower than September 2019). Lower production resulted primarily from the gas plant downtime incurred by Gazprom pipeline maintenance and LPG expander equipment erection works.

Average production comprised:

	October 2019	September 2019	Jan-October 2019
	Average	Average	Average
Gas:	8.3 mmcf/d	10.5 mmcf/d	17.0 mmcf/d
Condensate	1,219 bpd	1,415 bpd	1,461 bpd
Oil	427 bpd	474 bpd	416 bpd
LPG	112 bpd	168 bpd	291 bpd
Total	3,134 boepd	3,814 boepd	4,995 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 3,500 boepd, leading to an average of 4,700 boe per day for 2019 as a whole.

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 31 October, the Group held cash balances of US\$ 11.1 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.

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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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