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NOVATEK Signed Memorandum on Strategic Cooperation with SACE

Rome, 19 December 2018. PAO NOVATEK ("NOVATEK" and/or the "Company") and SACE (CDP Group) signed a Memorandum on Strategic Cooperation ("Memorandum") in relation to the Company's current and future LNG projects. The parties agreed to develop long-term cooperation on the Arctic LNG 2 project and potential new LNG projects involving Italian suppliers and engineering companies.

"We successfully cooperated with SACE in the financing of our Yamal LNG project" noted NOVATEK's Chairman of the Management Board Leonid Mikhelson. "Today's signing of our Memorandum with SACE creates new opportunities for mutually beneficial cooperation with Italian businesses on our future LNG projects. We welcome the interest of international export credit agencies to participate in the financing of our Arctic LNG projects."

Note:

The Arctic LNG 2 project envisages constructing three LNG trains at 6.6 million tons per annum each, using gravity-based structure (GBS) platforms. The Project is based on the hydrocarbon resources of the Utrenneye field. As of 1 December 2018, the Utrenneye field's reserves under the Russian reserves classification totaled 1,978 billion cubic meters of natural gas and 105 million tons of liquids. OOO Arctic LNG 2 owns an LNG export license.

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PAO NOVATEK is one of the largest independent natural gas producers in Russia, and in 2017, entered the global gas market by successfully launching the Yamal LNG project. Founded in 1994, the Company is engaged in the exploration, production, processing and marketing of natural gas and liquid hydrocarbons. The Company's upstream activities are concentrated mainly in the prolific Yamal-Nenets Autonomous Region, which is the world's largest natural gas producing area and accounts for approximately 80% of Russia's natural gas production and approximately 15% of the world's gas production. NOVATEK is a public joint stock company established under the laws of the Russian Federation. The Company's shares are listed in Russia on Moscow Exchange (MOEX) and the London Stock Exchange (LSE) under the ticker symbol «NVTK».