

YAMAL LNG AND GAS NATURAL FENOSA SIGN LONG-TERM LNG SUPPLY CONTRACT

Barcelona, 31 October 2013. JSC Yamal LNG and GAS NATURAL FENOSA announced the conclusion of a long-term contract for the supply of 2.5 million tons of liquefied natural gas (LNG) per annum, which is equivalent to 3.2 billion cubic meters of natural gas.

Natural gas will be supplied from the South-Tambeyskoye field located on the Yamal Peninsula in the North-Western part of Siberia, where Yamal LNG is building a liquefaction plant consisting of three production trains with overall capacity of 16.5 million tonnes of LNG per annum. The project envisages year-round supplies of LNG to the international markets.

"Yamal LNG project is progressing in full compliance with the schedule approved by the shareholders. Signing of a binding agreement with GAS NATURAL FENOSA is an important step in the implementation of the project's marketing strategy and, without any doubts, this contract will facilitate project financing," - commented Yamal LNG.

"The contract with Yamal LNG will become one of the most important in the GAS NATURAL FENOSA portfolio, with the 3.2 bcm representing roughly 10% of Spain's total annual gas consumption. In the absence of access to Russian pipeline gas, Yamal LNG gas supplies are of major importance to us" - noted GAS NATURAL FENOSA, - "The Agreement will contribute to strengthening the Spanish multinational's position of leadership in Iberian Peninsula and will serve to support the company's strategy for expanding its business in other markets".

Note

Yamal LNG is a joint venture currently owned by OAO NOVATEK (80%) and Total S.A. (20%). According to the PRMS reserve standards, the proven and probable reserves of the South-Tambeyskoye field as of 31 December 2012 were appraised at 907 billion cubic meters of natural gas. The Project also requires the construction of transport infrastructure including a sea-port and an airport located at Sabetta (north-east of the Yamal Peninsula).

GAS NATURAL FENOSA is one of the leading multinational companies in the gas and electricity sector. It operates in over 25 countries and has more than 20 million customers and an installed capacity of 15.8 gigawatts. It is the largest integrated gas and electricity company in Spain and Latin America, the leader in natural gas marketing and sales in the Iberian Peninsula and the number one natural gas distributor in Latin America. With a fleet of nine methane tankers, it is a benchmark operator of LNG/NG in the Atlantic and Mediterranean basins, where it operates 30 bcm.