



# NOVATEK

---

## NOVATEK AND GAZPROM SIGN COOPERATION AGREEMENT

Moscow, 6 July 2005 - OAO NOVATEK (RTS: NVTK) (the “Company”) announced today that the Company has signed a Partnership Agreement with OAO Gazprom. The agreement was signed by Leonid Mikhelson, Chairman of the Management Board of OAO NOVATEK and Alexey Miller, Chairman of the Management Board of OAO Gazprom at the head office of Gazprom. The agreement relates to common interests of the parties in such areas as transportation, processing and sale of natural gas and chemical industry products derived from gas. The agreement also refers to the mutual benefits which can be derived from the co-operation of the parties.

According to Alexey Miller, “the joint efforts of the two companies will promote the formation of a developed competitive gas market in our country”.

Leonid Mikhelson stressed that NOVATEK is committed to participating in the implementation of the ‘General Scheme of the Gas Industry Development’ which is currently being developed”.

The Agreement set out the key areas of co-operation between the two companies, including:

- Developing an integrated long-term strategy of the development of gas industry in Russia and market relations in this area of activity.
- Developing production and infrastructure facilities in the gas industry on a mutually beneficial basis.
- Developing and implementing joint projects in the area of developing infrastructure for the transportation of gas condensate.

The parties agreed on the possible participation of NOVATEK in the expansion, reconstruction and modernization of the Unified Gas Supply System in accordance with the ‘General Scheme of the Gas Industry Development’ for the period up to 2030.

In the agreement the Companies shared their common opinion that a single channel should continue to be used for the export of gas produced in Russia. The document provides for the possibility of a sale to Gazprom of part of natural gas volumes produced by NOVATEK on mutually beneficial conditions.

In the Agreement the parties mention their intention to join their efforts in the following areas:

- Creating joint operations for processing hydrocarbon feedstock, including production of ethylene / polyethylene, propylene / polipropilene, methanol and liquefied gas;
- Developing facilities for using liquefied and pressure gas as automobile fuel and in the housing sector;
- Implementing plans for social and economic development of regions and implementing measures for environmental rehabilitation.

This Agreement will serve as the basis for the development of long-term co-operation between the companies and for the implementation of joint projects under mutually beneficial conditions.

Press-Service  
Mikhail Lozovoy  
+7 (095) 721 22 07  
[press@novatek.ru](mailto:press@novatek.ru)

Investor Relations  
Alexey Ivanov  
+7 (095) 730 6020  
[ir@novatek.ru](mailto:ir@novatek.ru)

OR

Shared Value Limited  
Matthew Hooper  
+44 (0) 20 7321 5023  
[novatek@sharedvalue.net](mailto:novatek@sharedvalue.net)

\*\*\*

Novatek is Russia's largest independent gas producer and the second-largest natural gas producer in Russia. Founded in 1994, the Company is engaged in the exploration, production and processing of natural gas and liquid hydrocarbons. The Company's upstream activities are concentrated in the Yamal-Nenets Region, which is the world's largest natural gas producing area and accounts for over 90% of Russia's natural gas production and one third of the world's gas production.

Novatek is an open joint stock company established under the laws of the Russian Federation. The Company's shares have been listed on the Russian Trading System (RTS) since December 2004 under the 'NVTK' ticker symbol.

\*\*\*

This press release is not an offer for sale of any securities in the United States. Any securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. NOVATEK has not registered and does not intend to register any portion of any offering in the United States or to conduct a public offering of any securities in the United States.

This communication is directed only at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (the "Order") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "relevant persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents. Stabilization/FSA.

This press release is not a public offer or advertisement of securities in the Russian Federation, and is not an offer, or an invitation to make offers, to purchase any securities in the Russian Federation.

This announcement is not for release, publication or distribution in or into the United States, Canada, Japan or Australia or any jurisdiction where such announcement would be unlawful.

Certain statements in this press release are not historical facts and are “forward looking” within the meaning of Section 27A of the Securities Act and Section 21E of the US Securities Exchange Act of 1934 (hereinafter, the Exchange Act). Forward looking statements include statements concerning our plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our competitive strengths and weaknesses, plans or goals relating to forecasted production, reserves, financial position and future operations and development, our business strategy and the trends we anticipate in the industries and the political and legal environment in which we operate and other information that is not historical information. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward looking statements will not be achieved.