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FOR IMMEDIATE RELEASE

**NOVATEK ACQUIRES WORKING INTEREST  
IN EGYPTIAN CONCESSION**

*Moscow 27 September, 2007.* OAO NOVATEK announced today it has acquired a 50% working interest in the concession agreement for oil and gas exploration and development at the El-Arish offshore block in Egypt from Tharwa Petroleum S.A.E. The remaining 50% working interest is held by Tharwa Petroleum S.A.E.

The offshore block, comprising an area of approximately 2,300 square kilometers, is located along the Mediterranean coast and is adjacent to the north coast of the Sinai. Half of the block lies at depths of up to 50 meters with the remaining area reaching depths of up to 500 meters.

The concession agreement provides for a minimum exploration period of four years which will include undertaking geophysical studies of the concession block as well as the drilling of two wells. NOVATEK will have the opportunity to extend the exploration period to nine years if preliminary results require further study. The concession agreement provides for a twenty year development period for each commercial discovery with a possible five year extension.

“The El-Arish offshore block is the Company’s first international project. Our participation in the concession is consistent with NOVATEK’s long-term strategy of expanding its resource base and geographically diversifying its core activities in order to establish a stable base for production growth.” commented NOVATEK’s CEO, Leonid Mikhelson at the signing ceremony in Cairo.

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OAO 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, processing and marketing of natural gas and liquid hydrocarbons. The Company’s upstream activities are concentrated in the prolific 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 20% 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 are listed on the Russian Trading System (RTS) and the London Stock Exchange (LSE) under the ticker symbol ‘NVTK’ and on the NASDAQ PORTAL System as Rule 144A GDR under the ticker symbol ‘NVATY’.