

Moving Forward – A New Decade

Mark Gyetvay, CFO and Member of the Board UBS 2009 Annual Investment Conference – Oil & Gas Panel Session The Ritz Carlton Moscow Hotel 21 October 2009



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Keys to Our Success



Factors Distinguishing Our Business Model

- Maximum operating flexibility to adjust to changing business and economic cycles
 - Operational flexibility at both the production and processing levels allows us to adapt to changing market conditions
- Capital discipline and efficiencies underpin our investment decisions
 - Strong balance sheet no liquidity issues
 - Infrastructure investments to reduce operating costs
- High quality asset base scalable to changing demand scenarios
 - Large, long-lived reserve/resource base over 90% natural gas and 23 years R/P ratio (P1) and 36 years R/P ratio (P2)
 - Close proximity to natural gas pipeline infrastructure
- Lowest cost producer in global oil and gas industry
- Low downside risk to natural gas price dynamics
 - domestic price liberalization plan still ongoing



NOVATEK Fields and License Areas

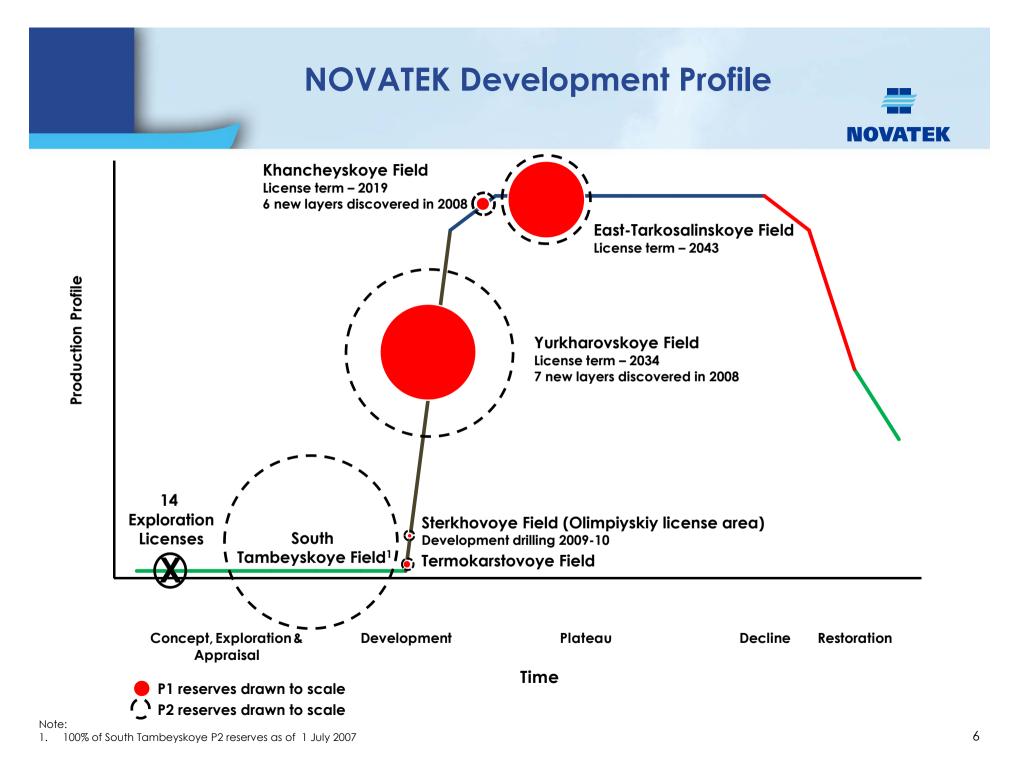


Yamal-Nenets Autonomous Region (YNAO) – the world's largest natural gas producing region

Main fields and license areas

- 1. Yurkharovskoye
- 2. East-Tarkosalinskoye
- 3. Khancheyskoye
- 4. New Yurkharovskoye
- 5. North-Yubileyniy
- 6. West-Urengoiskiy
- 7. South-Tambeyskoye field
- 8. Olimpiyskiy
- 9. Termokarstovoye
- 10. Raduzhnoye
- 11. Yumantilskiy
- 12. North-Khancheyskiy
- 13. Yarudeyskoye

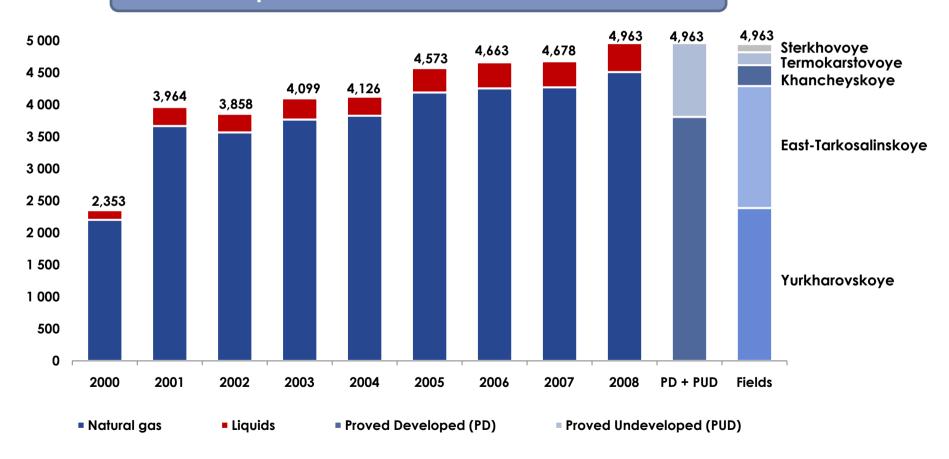
- NOVATEK's core fields NOVATEK's other fields
- NOVATEK's license areas
- **Field's acquired in 2009**
- Natural gas pipeline
 Gas condensate pipeline



A Proven Strategy to Build Reserves

Proved Reserves (SEC), mmboe*

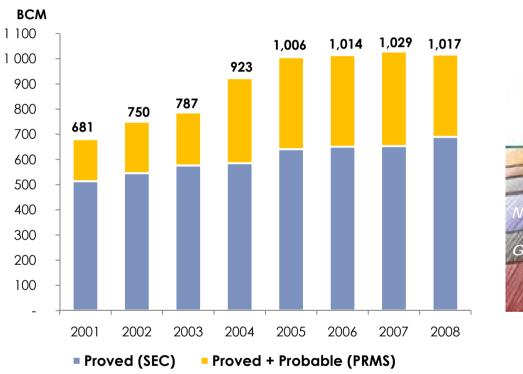
Compound Annual Growth Rate: 10%



* Proved reserves for each year-end are 100% engineered by DeGolyer & MacNaughton

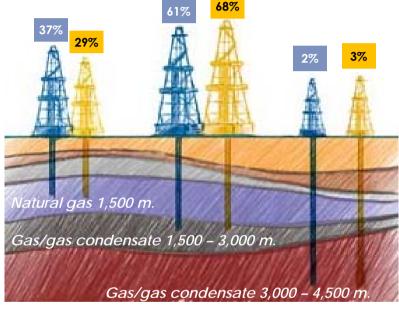
Natural Gas Reserves Characteristics





Historic natural gas reserve growth

Structure of 2008 natural gas reserves

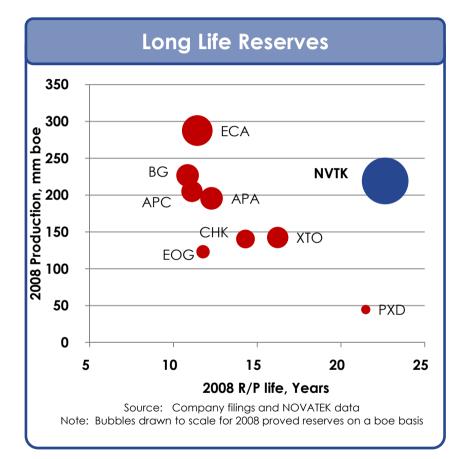


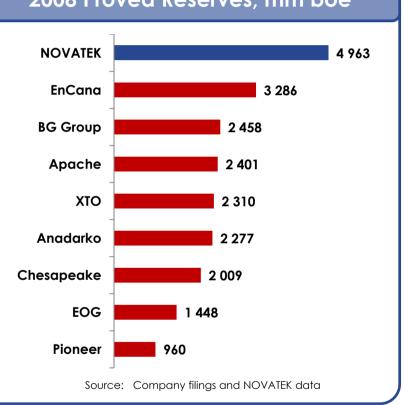
Proved (SEC) Proved + Probable (PRMS)

A majority of NOVATEK's vast proved plus probable reserves are located in the deeper gas condensate bearing horizons, providing the Company with multiple revenue streams (natural gas, stable gas condensate and LPG)

Reserves to Production





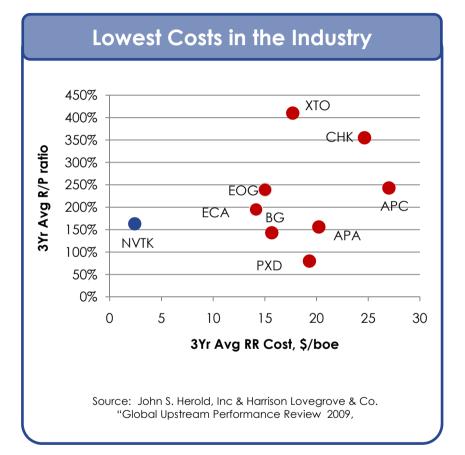


2008 Proved Reserves, mm boe

High quality reserve base supports production

Reserve Replacement Costs





\$25 \$20 \$15 \$10 \$5 2,22 1,03 \$0 2002-04 2003-05 2004-06 2005-07 2006-08 Large US E&Ps Peer Group Ava Overseas E&Ps Source: John S. Herold, Inc & Harrison Lovegrove & Co. "Global Upstream Performance Review 2005, 2006, 2007, 2008 and 2009, Company filings and NOVATEK data

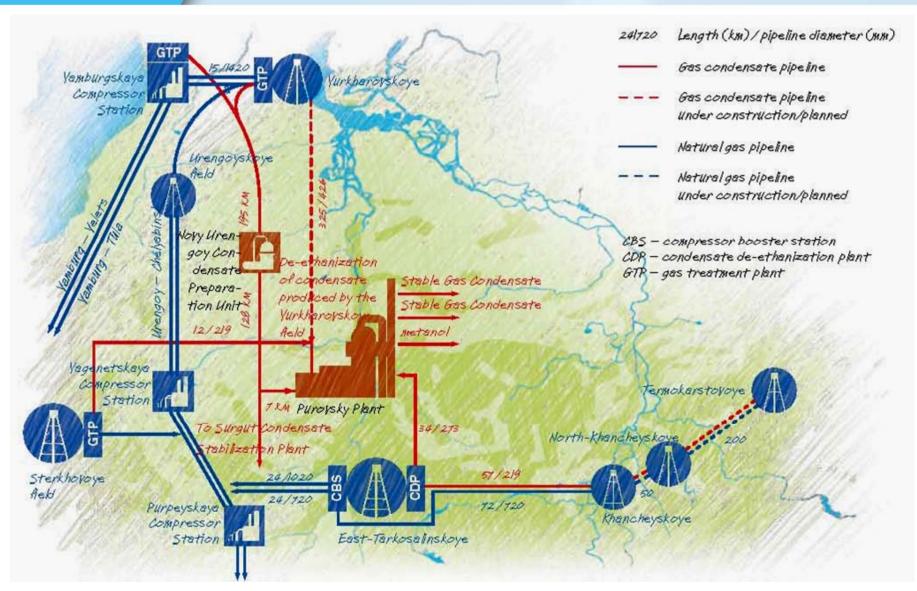
Lowest cost producer for five (5) consecutive three-year average periods¹

Notes: (1)

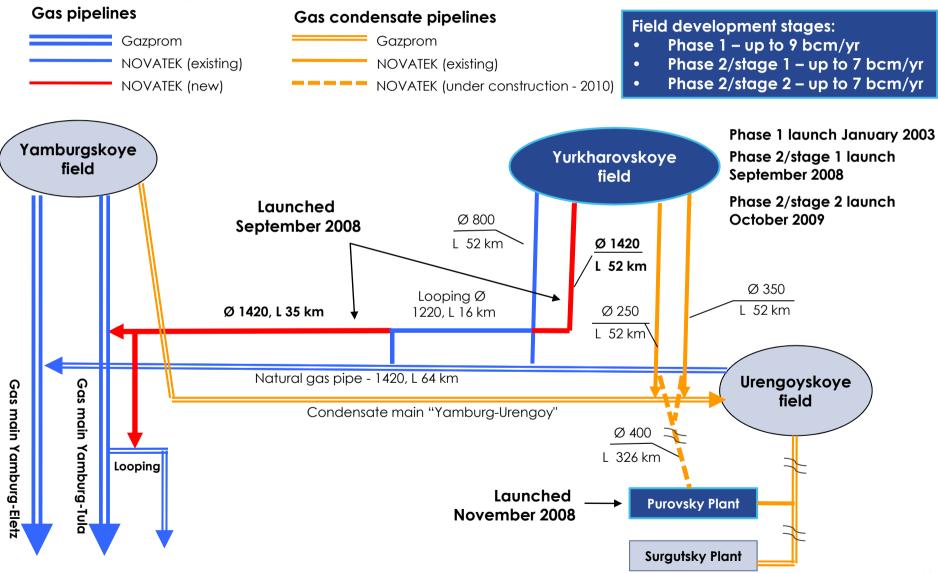
3 Year Avg RR Cost Trend, (\$/boe)

NOVATEK Transportation & Processing





Yurkharovskoye Field – Transportation Scheme



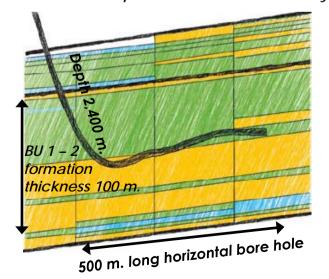
Yurkharovskoye Field Development

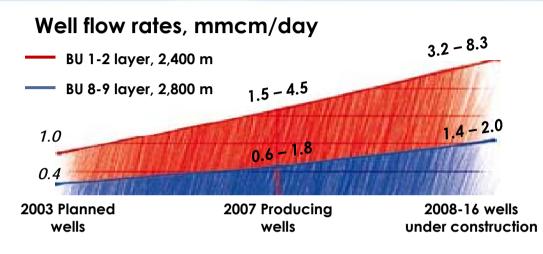


- Total rated field capacity on fully developed basis – 32.8 bcm/annum
- Optimization of field development plan through larger bore horizontal wells
- ✓ Increased recovery factor for natural gas at main formation from 72% to 89%

Operating well #205

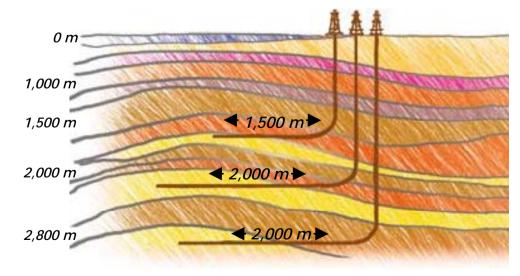
Gas production rate: 4.5 mmcm/day Gas condensate production rate 350 tons/day





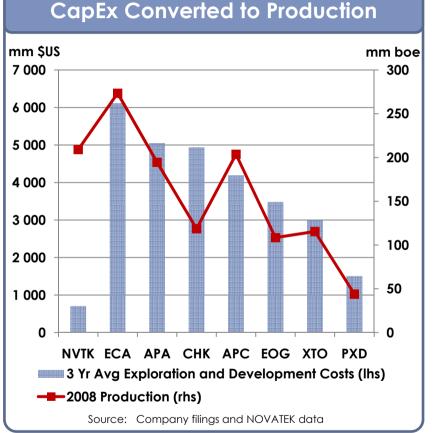
Well clusters at the Yurkharovskoye field

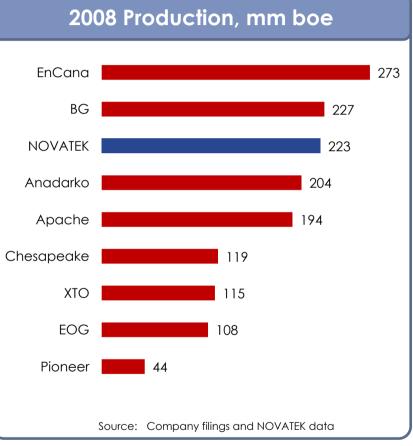
(90% of the field's area lies offshore)



Capital Efficiency





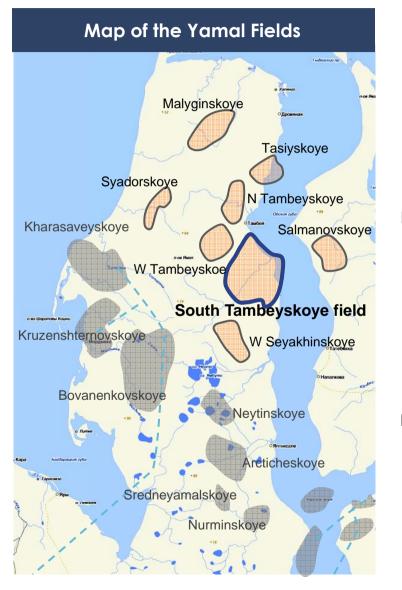


High production flow rates yet low capital intensity

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OAO Yamal LNG – South Tambeyskoye Field

NOVATEK



OAO Yamal LNG holds the license for exploration and development of the South-Tambeyskoye field

- Discovered in 1974, the field is located on the Northeastern side of the Yamal-Peninsula
- Initial license issued 13 July 2005 and valid until 2020.
- To date:
 - 1,160 km² of 3D seismic data
 - 55 exploration wells drilled

Russian Reserve Classification 1 January 2008 (100%)

Category	Natural Gas, bcm	Gas Condensate, mmt	Total mm boe
C1	1,004	38	6,889
C2	252	14	1,767
C1+C2	1,256	52	8,656

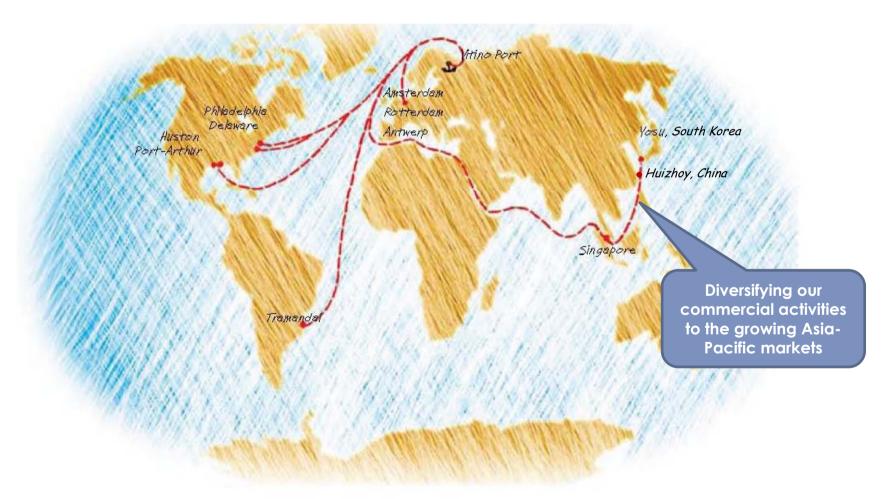
Independent Reserve Audit¹, 1 July 2007 (100%)

Category	Natural Gas bcm	Gas Condensate, mmt	Total mm boe
PRMS P2	628	23	4,303
PRMS P2 + P3	717	28	4,923

1. Ryder Scott Company, L.P.

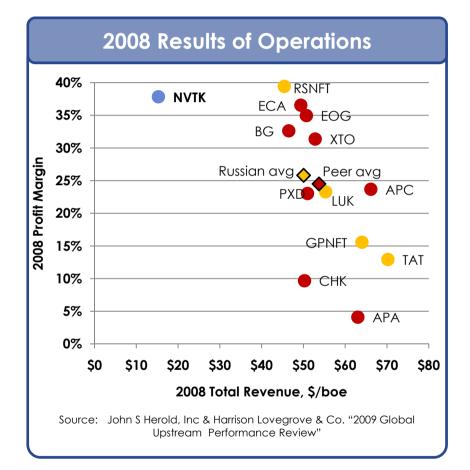
Expanding Our Commercial Reach

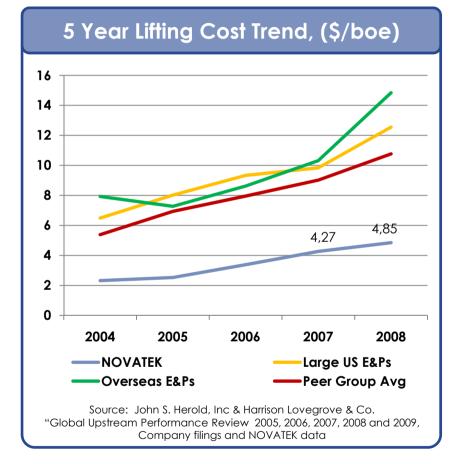
Geographic distribution of stable gas condensate



Oil and Gas Operational Results







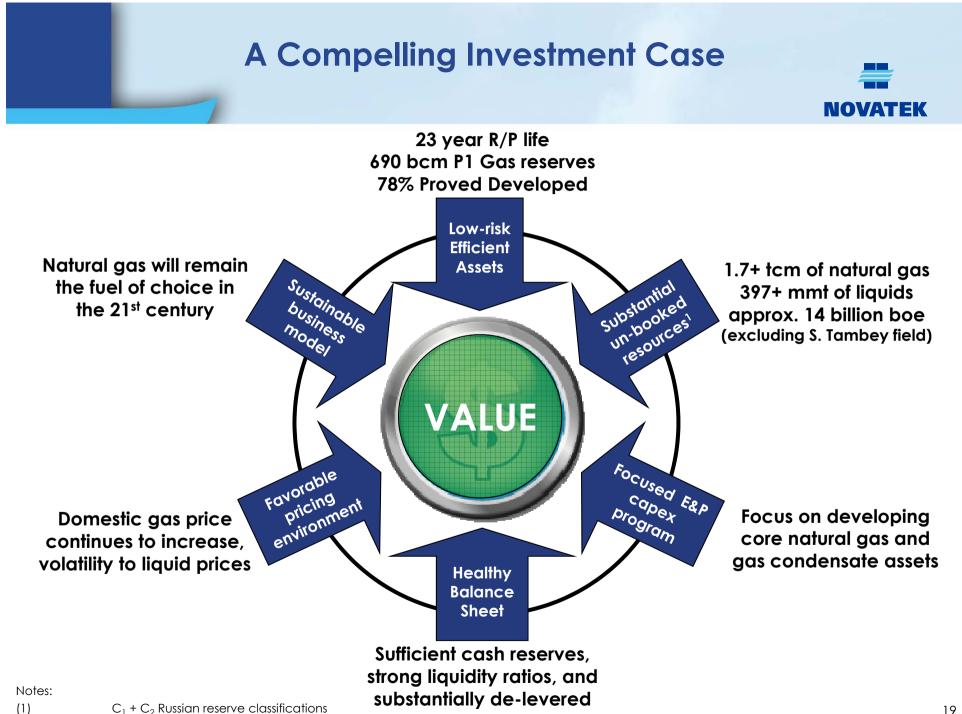
Optimizing profit in low price environment through strict cost control

Financial Resiliency Throughout the Crisis

60% 50% 40% – No data reported No data repo 30% 0.7% EBITDA, (20% Gazprom – Rosneft [10% atneft -0% -10% -20% Q108 Q208 Q308 Q408 Q109 Q209 NOVATEK GAZPROM GAZPROMNEFT TATNEFT

EBITDA to Total Revenues, %

Operational flexibility and prudent cost control underpins NOVATEK's relatively strong EBITDA margins during difficult market environment





Questions and Answers Session

Contact details: NOVATEK's Investor Relations Mark Gyetvay, Chief Financial Officer Gregory Madick, Head of Investor Relations Tel: +7 (495) 730-6013 Email: <u>ir@novatek.ru</u> Website: <u>www.novatek.ru</u>