

FOR IMMEDIATE RELEASE

## Arctic LNG 2 and Siemens Sign Equipment Supply Contract

*Moscow, 1 February 2019.* PAO NOVATEK (“NOVATEK” and/or the “Company”) announced that Arctic LNG 2 (the “Project”) and Siemens signed a contract on compressor equipment for three liquefaction trains of the Project.

The scope of supply under the contract includes three feed gas compressors and six boil-off gas compressors. The document also provides for localizing the equipment fabrication for the Project’s third train in Russia.

“Siemens and NOVATEK have a successful working relationship as they supplied gas turbine generators and boil-off gas compressors for our Yamal LNG plant.” noted Alexander Fridman, NOVATEK’s First Deputy Chairman of the Management Board. “Our next project, Arctic LNG 2, will utilize new technological solutions and employ domestic manufacturers. The supply contract envisages new prospects for localizing the compressor equipment fabrication for the LNG industry, which is consistent with our strategic aim of creating and developing an LNG Center of Excellence in Russia.”

### 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 31 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».