



Press release:

06/11/2018

On November 02, 2018 Alliance Oil Company Ltd. (the **Issuer**) has duly and timely arranged relevant payment to The Bank of New York Mellon (the **Principal Paying Agent**) in discharge of the Issuer's obligations to make regular coupon payment in the amount of USD 17,500,000 under Eurobonds (ISIN: XS0925043100).

Payment was made from the Issuer's bank account with RCB Bank Ltd (a bank in Cyprus) via their correspondent bank, Citibank N.A. (New York) to the Principal Paying Agent's bank account.

Despite the fact that this is a standard route for the transfer of the payments used by the Issuer previously (even after designation of certain companies of Alliance Oil Group as SDNs companies), this time the transferred funds were unexpectedly delayed by Citibank N.A. (New York) pending completion of the internal compliance investigation. Issuer immediately informed the Principal Paying Agent and Trustee of the matter.

As a result, the Principal Paying Agent has not yet received the funds and was not able to release payments to the noteholders on the relevant coupon payment date (November 05, 2018). Funds remain delayed as of now.

Issuer continues to closely monitor this situation and uses its best efforts to resolve the matter as soon as possible. The Issuer remains committed to its obligations under its Eurobonds offerings and expects the successful resolution of the matter in due course.

For further information, please contact Olga.Khudokormova@oilgazholding.ru and Dmitry.Papyrin@oilgazholding.ru.

DISCLAIMER

This press release includes "forward-looking statements" which involve uncertainties and risks. Forward-looking statements include statements concerning AOC plans, objectives, goals, strategies, future events, future revenues, future results and performance, expectations, plans or intentions relating to acquisitions and other matters, business trends and other information that is not historical, including statements regarding estimates of AOC growth targets or other future financial results. When used in this press release, words such as "anticipates," "aspirational," "estimates," "expects," "goals," "intends," "believes," "forecasts," "targets," "objectives" and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, estimates of AOC future financial results, are based upon our expectations at the time we make them and various assumptions. Our expectations, beliefs, projections and growth targets are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs, estimates or growth targets will be achieved, and AOC's actual results may differ materially from our expectations, beliefs, estimates and growth targets. AOC as a group has experienced fluctuating revenues, operating income and cash flow in prior periods and expects that this will occur from time to time in the future. Other factors that could cause such differences include declines in demand for, or changes in, the mix of products that we offer, the mix of the geographic locations where our business is located, adverse financial, real estate or other market and general economic conditions, which could impact each of our segments differently, the pace and timing of the consummation and integration of past and future acquisitions, AOC's ability to realize cost savings and efficiencies, competitive and general economic conditions, retention of staff and clients and other risks. AOC is under no duty to update any of the forward looking statements to conform such statements to actual results or events and do not intend to do so.