

**Notification of a Material Fact  
Information that Materially Influences, in the Issuer's Opinion, the Value of  
Its Equity Securities**

1. General Information	
1.1. The issuer's full corporate name	<i>Public Joint Stock Company «Transneft»</i>
1.2. The issuer's abbreviated corporate name	<i>Transneft</i>
1.3. The issuer's principal place of business	<i>Moscow, Russian Federation</i>
1.4. The issuer's OGRN (Primary State Registration Number)	<i>1027700049486</i>
1.5. The issuer's INN (Taxpayer's Identification Number)	<i>7706061801</i>
1.6. The issuer's unique code assigned by the registering body	<i>00206-A</i>
1.7. The address of the web page used by the issuer for the purposes of disclosing information	<i><a href="http://www.e-disclosure.ru/portal/company.aspx?id=636">http://www.e-disclosure.ru/portal/company.aspx?id=636</a> <a href="http://www.transneft.ru/">http://www.transneft.ru/</a></i>

2. Content of the Notification

2.1. Brief description of the event (action) the occurrence (performance) of which influences, in the issuer's opinion, the value of its equity securities: ***Resolution of the issuer related to the period to submit offers for exchange documentary interest bearing inconvertible bonds in bearing form with mandatory central keeping, series BO-001P-03 of Transneft (hereinafter referred to as the "Exchange Bonds") being placed to the extent of the Exchange Bond Program under identification number 4-00206-A-001P-02E dated 06 April 2016 (hereinafter referred to as the "Exchange Bond Program")***.

2.2. If the respective event (action) is related to or associated with a third party, the full corporate name (for non-profit institutions, the name), principal place of business, INN (if applicable), OGRN (if applicable) or the surname, name, and patronymic of such person: ***It is not possible to specify the information as it concerns potential buyers of Exchange Bonds of Transneft.***

2.3. If the respective event (action) is related to or associated with a resolution taken by the issuer's or a third party's competent management body, the name of such management body, the adopted resolution date and content, the drafting date and number of the minutes of the meeting (session) of the competent management body, if the resolution was adopted by the collegial management body of the respective entity: ***Resolution adopted by the President of Transneft on 02 August 2016 (Order No. 148 dated 02 August 2016). Adopted resolution content:***

***"1. To place inconvertible interest bearing documentary exchange bonds in bearing form with mandatory central keeping, series BO-001P-03 of Transneft (hereinafter referred to as the "Exchange Bonds") to the extent of the Exchange Bond Program under identification number 4-00206-A-001P-02E dated 06 April 2016 (hereinafter referred to as the "Exchange Bond Program")***.

***2. To determine that placement of the Exchange Bonds will be performed by collection of targeted orders from buyers for purchase of the Exchange Bonds at a fixed price and coupon rate for the first coupon period determined in advance by Transneft according to the procedure and on the terms and conditions provided for by the Exchange Bond Program (Formation of the order book).***

***3. To determine that the offers for Preliminary Agreements, as defined in the Exchange Bond Program, shall be sent to the address of «Gazprombank» (Joint – stock Company).***

**4. To determine that the period to send the offers for Preliminary Agreements with potential buyers of the Exchange Bonds, series BO-001P-03, as defined in the Exchange Bond Program, containing the obligation to sign with them or with the trading participants acting in their interests the master agreements aimed at alienation of the Exchange Bonds being placed, series BO-001P-03, in their favour in the future, shall start at 11:00 on 02 August 2016 and shall end at 16:00 on 02 August 2016.”**

02 August 2016

Subject: ***Participation in placement of Exchange Bonds of Public Joint Stock Company «Transneft», series BO-001P-03.***

**IMPORTANT: YOU NEED TO FAMILIARIZE YOURSELF WITH THE INFORMATION SPECIFIED BELOW BEFORE TAKING ANY ACTION.**

This notification applies to the information specified below and the issuance documentation published in the Internet at the address: <http://www.e-disclosure.ru/portal/company.aspx?id=636> (hereinafter jointly referred to as «Documents»), and you need to familiarize yourself with the provisions of this notification before taking any action in connection with such Documents. Upon familiarizing yourself with the Documents and taking any action in connection with them, you accept the obligation to comply with the terms and conditions specified below, including any changes to such terms and conditions, which may be received by you from us following your familiarization with the Documents.

**THIS NOTIFICATION AND THE DOCUMENTS PROVIDED TO YOU SHALL NOT BE DEEMED AN OFFER FOR SALE OF ANY SECURITIES AND SHALL NOT BE INTENDED FOR FAMILIARIZATION OR ACCESS OF PERSONS SITUATED IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN.**

**THIS NOTIFICATION AND THE DOCUMENTS SHALL NOT BE TRANSFERRED OR DISTRIBUTED, EXCEPT ACCORDING TO THE PROCEDURE SPECIFIED BELOW, AND SHALL NOT BE REPRODUCED IN ANY WAY.**

Neither «Gazprombank» (Joint – stock Company) nor Public Joint Stock Company «Transneft» (hereinafter referred to as the “Issuer”) hereby make an offer for sale of any securities or take any action aimed at receipt of an order for any securities from any persons situated in any jurisdiction. This notification and the Documents provided to you shall not be used for or in connection with preparation of any notification in any jurisdictions and in any circumstances when such prepared notification may be deemed inappropriate or illegal. The Issuer demands that every person receiving access to this notification and the Documents familiarizes itself and complies with such restrictions. The Documents provided to you for familiarization shall be deemed for information purposes only and shall not be deemed an advertisement or an offer for sale of any securities in any country.

No securities of the Issuer shall be offered for sale or sold in the United States of America without registration or receipt of exemption from registration according to the US Securities Act of 1933 (as amended from time to time).

This notification and the Documents shall be intended exclusively for (i) persons situated beyond the United Kingdom or (ii) professional investors, who are subject to Article 19(5) of the Order (Financial Cooperation) of 2005 under the Financial Services and Financial Markets Act of 2000 of the United Kingdom (hereinafter referred to as the “Order”) or (iii) legal

entities or other persons with major net capital, who may legally receive such a notification and such Documents and who are subject to Articles 49(2)(a) - 49(2)(d) of the Order (all such specified persons shall be hereinafter referred to as the "Appropriate Persons"). Any securities may be bought and any invitation, offer or agreement on subscription, purchase or other acquisition of such securities may be accepted by such Appropriate Persons only. Any other person, who is not an Appropriate Person, shall not act according to this notification and the Documents or otherwise rely on them or any information contained therein.

Any public offer for securities, which may be deemed made based on the fact of sending of this notification and the Documents in any member state of the European Union which adopted for execution Directive 2003/71/EC (the Directive together with any additional procedures related to its application in any member state shall be hereinafter referred to as the "Prospectus Directive"), is addressed exclusively to qualified investors of the said EU member state as defined in the Prospectus Directive.

This notification and the Documents shall not be deemed an issue prospectus for the purposes of interpretation thereof according to the procedures related to application of the Prospectus Directive and other applicable laws. This notification and the Documents, as well as the issue prospectus prepared in connection with placement of the Issuer's securities shall not be distributed in any country where such distribution is subject to additional requirements or violates the laws of the said country.

**OWNERSHIP OF EXCHANGE BONDS OR OTHER FINANCIAL INSTRUMENTS IS ALWAYS RELATED TO RISKS.**

This notification is for information purposes only and contains limited information on investment in the Issuer's securities. Such investment should be subject to a well-considered decision based on careful analysis of the Issuer, its affiliated persons, transactions, financial position, sales and income, condition of the Russian economy as a whole, and other risk factors.

*Dear Investor,*

Hereby we would like to inform you that you can participate in the placement of exchange documentary inconvertible interest bearing bonds in bearing form with mandatory central keeping, series BO-001P-03 of Public Joint Stock Company «Transneft» (hereinafter referred to as the "Issuer"). «Gazprombank» (Joint – stock Company) (hereinafter referred to as "**Gazprombank**") acts as the issue manager (hereinafter referred to as the "Issue Manager"). This notification is an invitation to make offers and is not an offer.

On 06 April 2016, MICEX Stock Exchange CJSC assigned the Exchange Bond Program identification number 4-00206-A-001P-02E. Assigning of the identification number to the Exchange Bond Program does not mean that actual data contained in the issuance documentation is accurate or error-free.

The placement of the Series of Exchange Bonds under Exchange Bond Program, identification number 4-00206-A-001P-02E, of 06 April 2016, will be performed in the form of purchase and sale transactions on the MICEX Stock Exchange. The scheduled issuing date is 11 August 2016, however, it may change. The final issuing date shall be set (determined) according to the Exchange Bond Program and the Securities Prospectus (hereinafter referred to as the "Issuance Documentation"). The Exchange Bonds may be paid only in cash.

You may participate in the placement after you execute a proposal to enter into a preliminary Exchange Bond purchase agreement (hereinafter referred to as the “Purchase Proposal”) in the form provided for by the Appendix hereto with an indication of the maximum total amount in Russian rubles for which you are willing and would like to purchase the Exchange Bonds, as well as the minimum first coupon rate on the Exchange Bonds at which you are willing and would like to purchase the Exchange Bonds for the specified amount.

**The Purchase Proposal is your offer to enter into a Preliminary Agreement (according to the definition given below).**

In order to comply with the requirements for the Exchange Bonds placement procedure, the Issue Manager shall only consider duly executed and signed Purchase Proposals submitted according to the procedure and on the terms defined herein.

### **Placement and Settlement Procedure**

Where you are willing to participate in the Exchange Bonds placement, please, accept the procedure and terms of the Exchange Bonds placement stipulated in the Issuance Documentation and herein by submitting to Gazprombank (by courier, fax or email) to the address given below a duly executed and signed Purchase Proposal not later than on 02 August 2016 at 16:00 Moscow time (hereinafter referred to as the “Register Closing Time”). To this effect, a Purchase Proposal of a legal entity shall be executed on the letterhead, signed by the authorized representative and bear the corporate seal of such legal entity. The Purchase Proposal may not be revoked after the Register Closing Time.

For the avoidance of doubt, please, be aware that receipt of your Purchase Proposal by the Issue Manager does not mean its acceptance. Neither the Issuer nor the Issue Manager assume any obligations, make any representations or warranties regarding acceptance of your Purchase Proposal in full or in part.

The Issuer will make a decision to accept or decline your Purchase Proposal after it sets the first coupon rate on the Exchange Bonds. Gazprombank in its capacity of the attorney, on behalf and for the account of the Issuer, or the agent, on its behalf and for the account of the Issuer, will only send you (by courier, fax or email) a written notification of acceptance (hereinafter referred to as the “Notification of Acceptance”) of your Purchase Proposal to the address, fax number or email specified in your Purchase Proposal where a decision to accept your Purchase Proposal is made by the Issuer. Should the Notification of Acceptance be sent by fax or email, it shall be deemed to have been received by you at the time of sending. The Issue Manager will not notify you where the Issuer makes a decision to decline your Purchase Proposal or fails to consider it or to make any decision. To this effect, sending no notification does not mean acceptance of your Purchase Proposal (no tacit acceptance).

**PLEASE, NOTE! ACCEPTANCE OF YOUR PURCHASE PROPOSAL MEANS ENTERING INTO A PRELIMINARY AGREEMENT (HEREINAFTER REFERRED TO AS THE “PRELIMINARY AGREEMENT”) BY AND BETWEEN YOU AND THE ISSUER UNDER WHICH YOU AND THE ISSUER ARE BOUND TO ENTER ON THE ISSUING DATE INTO A MASTER EXCHANGE BOND PURCHASE AGREEMENT (HEREINAFTER REFERRED TO AS THE “MASTER AGREEMENT”) ON THE FOLLOWING TERMS AND CONDITIONS: THE ISSUER SHALL SELL AND YOU SHALL PURCHASE FROM THE ISSUER (OR THE ATTORNEY OR AGENT APPOINTED BY THE ISSUER, OR OTHER AGENT) AND PAY FOR THE EXCHANGE BONDS IN THE NUMBER, AT THE PLACEMENT**

**PRICE AND AT THE COUPON RATE SPECIFIED IN THE NOTIFICATION OF ACCEPTANCE. TO THIS EFFECT, THE NUMBER OF THE EXCHANGE BONDS SPECIFIED IN THE NOTIFICATION OF ACCEPTANCE WILL DEPEND ON THE PLACEMENT PRICE, THE FIRST COUPON RATE, AND MARKET DEMAND FOR THE EXCHANGE BONDS. YOUR PURCHASE PROPOSAL MAY BE ACCEPTED IN FULL OR IN PART. WHERE YOUR PURCHASE PROPOSAL IS ACCEPTED IN PART, THE PRELIMINARY AGREEMENT SHALL BE DEEMED VALID ONLY WITH REGARD TO THE ACCEPTED PART OF YOUR PURCHASE PROPOSAL SPECIFIED IN THE NOTIFICATION OF ACCEPTANCE.<sup>1</sup> THE PROCEDURE FOR ENTERING INTO THE MASTER AGREEMENT (EXCHANGE BONDS PLACEMENT PROCEDURE), THE ISSUING DATE, THE PLACEMENT PRICE, THE FIRST COUPON RATE ON THE EXCHANGE BONDS, AND THE SETTLEMENT PROCEDURE SHALL BE SET (DETERMINED) ACCORDING TO THE ISSUANCE DOCUMENTATION.**

<sup>1</sup> The Notification of Acceptance will specify the number of the Exchange Bonds based on the placement price and the relevant cash amount indicated in your Purchase Proposal as the maximum amount for which you would like to purchase the Exchange Bonds.

This notification, the Purchase Proposal, and the Notification of Acceptance (if any) shall be an integral part of the Preliminary Agreement.

Any disputes related to entering into, the validity, and performance of the Preliminary Agreement shall be referred to the Moscow Arbitration Court.

To accept the above-mentioned Exchange Bonds placement terms and procedure, please, send your Purchase Proposal by courier to Gazprombank office located at 7 Korovy Val Ul., 119049 Moscow (for the attention of Semen Odintsov) with a copy to [Semen.Odintsov@gazprombank.ru](mailto:Semen.Odintsov@gazprombank.ru).

Yours sincerely,

Public Joint Stock Company «Transneft»

[ON THE INVESTOR'S LETTERHEAD]

To Bank GPB (JSC)  
7 Korovy Val Ul., 119049 Moscow  
Fax: (495) 983-17-63  
For the attention of Semen Odintsov  
E-mail: [Semen.Odintsov@gazprombank.ru](mailto:Semen.Odintsov@gazprombank.ru)

## OFFER FOR PRELIMINARY PURCHASE AGREEMENT

We have familiarized ourselves with the conditions and procedure for participating in placement of exchange documentary interest bearing bonds in bearing form with mandatory central keeping, series БО-001P-03, which are to be placed by public subscription under the Bond Program (Bond Program ID 4-00206-A-001P-02E dated 06 April 2016) (hereinafter referred to as the "Exchange Bonds"), as specified in the issue resolution, part one (Bond Program), and the Securities Prospectus of Transneft (hereinafter referred to as the "Issuer").

Having carefully analysed financial, economic, legal, and other risks and consequences of Exchange Bonds purchase and ownership, we hereby undertake to enter into master agreements for purchasing Exchange Bonds from the Issuer on the start date of Exchange Bonds placement according to the issue resolution, part one (Bond Program), and the Securities Prospectus under the following conditions:

Maximum amount we are ready to pay for the Bonds (in rubles)*	Bonds first coupon rate (% per annum)
[please specify]	[please specify]

This offer is valid until 11 August 2016 inclusively.

Please send a notice of accepting this offer to the following contacts: in case of delivery by courier [please specify your office address], in case of sending by fax [please specify your office fax number], in case of sending by email [please specify email of the contact person in your office].

Best regards,

\_\_\_\_\_  
Name:

Position:

(if the person acts under a power of attorney, please specify the particulars)

L.S.

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\*This amount excludes costs related to Exchange Bonds purchase and settlements.

2.4. If the respective event (action) is related to or may influence materially the value of the issuer's certain equity securities, the type, category (kind) and other identification features of such equity securities of the issuer:

- *exchange documentary inconvertible interest bearing bonds in bearing form with mandatory central keeping, series BO-001P-03, under the Bond Program (Bond Program identification number 4-00206-A-001P-02E dated 06 April 2016).*

2.5. Date of occurrence of the respective event (performance of the action) and, if the respective event occurs with respect to a third party (the respective action is performed by a third party), also the date when the issuer learned of occurrence of such event (performance of such action): **02 August 2016.**

### 3. Signature

3.1. Vice President of Transneft  
acting under Power of Attorney No. 94 dated 01 March 2016 \_\_\_\_\_ R.R. Sharipov  
(signature)

L.S.

3.2. Date: 02 August 2016