

Notification of a Material Fact:

On the information which, in the issuer's opinion, significantly affects value of the issuer's 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	http://www.e-disclosure.ru/portal/company.aspx?id=636 http://www.transneft.ru/
2. Content of the Notification	
2.1. Brief description of the event (action) occurrence (performing) of which, in the issuer's opinion, affects value of its securities: <i>Determining the procedure for placement of the securities, term for submission of offers by potential acquirers of Exchange Bonds series EO-06 with proposal to conclude Preliminary Contracts.</i>	
2.2. If the relevant event (action) concerns a third person or related thereto, full corporate name (the name of the noncommercial organization), principal place of business, the Taxpayer Identification Number (hereinafter referred to as the INN) (if applicable) and the Primary State Registration Number (hereinafter referred to as the OGRN) (if applicable) or name, patronymic (if any) and surname of such person: <i>it is impossible to specify the said information because it involves potential investors of the Exchange Bonds series EO-06.</i>	
2.3. If the relevant event (action) concerns a decision made by the competent governing body of the issuer or the third party or is related thereto, name of the competent governing body, date of decision making and content of the decision, date and number of minutes of the meeting of the competent governing body if such decision is made by the collegial governing board of the relevant entity: <i>the decision was made by the sole executive body of the issuer – the President of Transneft on 30 August 2016 (Order No. 160 dated 30 August 2016). To place Transneft documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series EO-06, identification number 4B02-06-00206-A dated 15 March 2010 (hereinafter referred to as the “Exchange Bonds Series EO-06”) by collection of the buyers' targeted applications for acquisition of the Exchange Bonds series EO-06 at a fixed price and coupon rate for the first coupon period determined by Transneft in accordance with the procedure and under the terms and conditions stipulated in the Decision on Issue of Securities and Securities Prospectus. To determine that the term for submission of offers with proposal to conclude Preliminary Contracts with potential acquirers of Exchange Bonds series EO-06 requiring future conclusion with them or with the traders acting for them of the main contracts aimed at alienation of the placed Exchange Bonds series EO-06 shall start from 11:00 of 30 August 2016 and end at 15:00 of 30 August 2016.</i>	
2.4. If the relevant event (action) is related to or may significantly affect value of particular issuer's securities – type, category (kind) and other identification characteristics of such issuer's securities: <i>the Exchange Bonds: documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series EO-06 with maturity date on three thousand six hundred and fortieth (3 640th) day since the commencement date of placement of</i>	

the bonds of that issue with the possibility of early redemption upon the holders' request and at the issuer's discretion placed by public subscription (identification number 4B02-06-00206-A dated 15 March 2010 (hereinbefore and hereinafter referred to as the "Exchange Bonds, Exchange Bonds series BO-06")

2.5. Date of occurrence of the relevant event (performing of action) and if the relevant event concerns a third party (the relevant action is performed by the third party) – also the date on which the issuer became aware of the said event (performing of the said action): **30 August 2016**

2.6. Proposal to conclude Preliminary Contracts in accordance with which on the commencement date of placement of the Exchange Bonds series BO-06 the investor and the issuer shall conclude the principal contracts of purchase and sale of the Exchange Bonds series BO-06:

30 August 2016

Re: participation in placement of the exchange bonds of Public Joint Stock Company «Transneft» series BO-06.

NOTE: PRIOR TO TAKE ANY ACTIONS YOU NEED TO FAMILIARIZE YOURSELF WITH THE INFORMATION BELOW. This Statement shall be applicable to both the information below and the issuance documentation published at <http://www.e-disclosure.ru/portal/company.aspx?id=636> (hereinafter referred to as the "**Documents**") and you need to attentively familiarize yourself herewith prior to taking any actions related to the Documents. When familiarizing and taking any actions related to the Documents, you assume responsibility to adhere to the below terms and conditions including any amendments thereto which you could receive from us as a result of your familiarization with the Documents.

THIS STATEMENT AND THE DOCUMENTS PRESENTED TO YOU SHALL NOT BE CONSIDERED AN OFFER TO SELL ANY SECURITIES, AND IS NOT INTENDED FOR ANY PARTIES LOCATED IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN.

THIS STATEMENT AND THE DOCUMENTS SHALL NOT BE EITHER SENT OR DISTRIBUTED OTHER THAN IN ACCORDANCE WITH THE BELOW PROCEDURE, AND THEY SHALL NOT BE REPRODUCED IN ANY WAY.

Neither Closed Joint-Stock Company «Sberbank CIB» nor Open Joint-Stock Company «BANK «ROSSIYA» (hereinafter jointly referred to as the "Managers"), nor Public Joint Stock Company «Transneft» (hereinafter referred to as the "**Issuer**") hereby make an offer for sale of any securities or perform any actions aimed at receipt of an offer to purchase any securities with respect to any parties in any jurisdiction. This Statement and the Documents brought to your attention cannot be used for or associated with preparation of any statement in any jurisdiction under any circumstances where such prepared statement will be deemed inadmissible or illegal. The Issuer calls upon each party obtaining access hereto and to the Documents to study and to comply with the said restrictions. The Documents are brought to your attention for information only and shall be neither promotion nor offer to sale any securities in any country.

Any securities of the Issuer cannot be offered for sale or be sold in the United States of America without registration or exemption obtained in accordance with the US Securities Law of 1933 (as amended). Securities of the Issuer are not registered in the United States of America and the Issuer has no intention to register any portion of any issue of the securities or to publicly place any securities in the United States of America.

This Statement and the Documents are only intended for: (i) the parties being outside the Great Britain, or (ii) professional investors covered by article 19(5) of the Order (Financial Assistance) of 2005 within the framework of the Financial Services and Markets Act 2000 (hereinafter referred to as the “**Order**”), or (iii) legal or other entities owning big net equity which this Statement or the Documents can be legally sent to covered by articles 49(2)(a)—49(2)(d) of the Order (all those entities hereinafter jointly referred to as the “**Respective Entities**”). Any securities may be legally acquired and any proposal, offer or agreement for subscription, purchase or other acquisition thereof may be accepted by the Respective Entities. Any other party not being the Respective Entity shall not be entitled to act on the grounds of or otherwise rely on this Statement or the Documents or any information contained herein and therein.

Any public offer of the securities which may be deemed made on the basis of sending this Statement and the Documents in any EC member-state having accepted and carried out EU Directive 2003/71/EC (with any additional procedures concerning application thereof in such member-state hereinafter referred to as the “**Prospectus Directive**”) shall be only addressed to the qualified investors of this EU member-state in the meaning determined by the Prospectus Directive.

This Statement and the Documents shall not be deemed issue prospectus for the purposes of interpretation in accordance with the procedures concerning application of the Prospectus Directive and other applicable law. This Statement and the Documents as well as the issue prospectus prepared due to placement of the Issuer’s securities shall not be distributed in any country where such distribution is subject to compliance with additional requirements or infringes such country’s law.

HOLDINGS OF BONDS OR OTHER FINANCIAL INSTRUMENTS IS ALWAYS RISKY. This Statement is for information only; it contains limited information on investment in the Issuer’s securities. Such investment shall be prefaced with informed decision based among other things on careful analysis of the Issuer, its affiliates, transactions, financial state, sales and revenues, state of overall Russian economy and other risk factors.

Dear investor,

herewith we inform you of the possibility to participate in placement of documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series Public Joint Stock Company «Transneft» (hereinafter referred to as the “**Issuer**”). Closed Joint-Stock Company «Sberbank CIB» (hereinafter referred to as “**Sberbank CIB**”) and Open Joint-Stock Company «BANK «ROSSIYA» act as placement managers. This Statement shall be deemed as a proposal to make offers but not an offer itself.

The Issuer was admitted to trading when placing seventeen million (17,000,000) documentary inconvertible interest bearing exchange bonds with maturity date on three thousand six hundred and fortieth (3,640th) day since the commencement date of placement of the bonds of that issue placed by public subscription (hereinafter referred to as the “**Exchange Bonds**”). Issue of the Exchange Bonds is admitted to trading by MICEX Stock Exchange Closed Joint-Stock Company in the process of placement on 15 March 2010, identification number 4B02-06-00206-A. Admission of the Exchange Bonds to trading in the process of placement shall not mean that the actual information specified in the documents of the issue is true and correct. Exchange Bonds are going to be placed on 06 September 2016; however they may be placed on any other date. Final commencement date of placement shall be set (determined) in accordance with the Decision on Issue and Exchange Bonds Prospectus (hereinafter referred to as the “**Issuing Documents**”). Exchange Bonds shall be only paid by cash.

You can participate in placement having made an offer to conclude a preliminary contract for purchase of the Exchange Bonds (hereinafter referred to as the “**Offer to Purchase**”) in accordance with the below procedure and in the agreed form specifying the maximum amount in Russian rubles which you are going and ready to spend for acquisition of the Exchange Bonds as well as the minimum coupon rate as regards the Exchange Bonds at which you are going and ready to acquire the Exchange Bonds for the above amount.

Offer to Purchase is your offer to conclude a Preliminary Contract (as defined below).

For the purposes of compliance with the requirements to placement of the Exchange Bonds, the Managers shall only consider duly drawn up and signed Offers to Purchase which were submitted to the Managers in accordance with the procedure and under the terms and conditions specified herein.

Procedure for placement and settlement

If you decided to participate in placement of the Exchange Bonds, please, confirm your consent to the procedure and the terms and conditions of placement of the Exchange Bonds stipulated in the Issuing Documents and this Statement having delivered (by courier, fax or e-mail) a duly drawn up and signed Offer to Purchase to the Managers’ address specified below not later than 15:00 (Moscow time) of **30 August 2016** (hereinafter referred to as the “**Book Closing Time**”). In this regard the Offer to Purchase sent by a legal entity shall be drawn up on such legal entity’s letterhead under the common seal thereof. Offer to Purchase cannot be withdrawn after the Book Closing Time.

For the avoidance of any misunderstanding or doubts, we especially draw your attention to the fact that receipt of your Offer to Purchase by the Managers shall not mean acceptance thereof. Neither the Issuer nor the Managers shall assume any liability or provide any representations and warranties with respect to acceptance of your Offer to Purchase in full or in part.

When the coupon rate as regards the Exchange Bonds is determined, the Issuer shall decide whether to accept or to reject your Offer to Purchase. Only if the decision on acceptance of your Offer to Purchase is made, Sberbank CIB, acting as an attorney for and on behalf of the Issuer or as a commission agent acting in its own name and for the Issuer’s account, will send you (by courier or fax) a written notice of acceptance (hereinafter referred to as the “**Notice of Acceptance**”) of your Offer to Purchase to the address or fax number specified in your Offer to Purchase. If sent by fax, the Notice of Acceptance shall be deemed received by you at the moment of sending. If the Issuer decides to reject your Offer to Purchase, or if the Issuer will not consider your Offer to Purchase, or if after consideration of your Offer to Purchase the decision is not made, Sberbank CIB will not send you a notice thereof. In this regard the fact that no notice is sent to you shall not mean acceptance of your Offer to Purchase (silence does not mean acceptance).

PLEASE NOTE! ACCEPTANCE OF YOUR OFFER TO PURCHASE SHALL MEAN CONCLUSION OF A PRELIMINARY CONTRACT BETWEEN YOU AND THE ISSUER (HEREINAFTER REFERRED TO AS THE “PRELIMINARY CONTRACT”) IN ACCORDANCE WITH WHICH ON THE COMMENCEMENT DATE OF PLACEMENT OF THE EXCHANGE BONDS YOU AND THE ISSUER SHALL CONCLUDE THE PRINCIPAL CONTRACT OF PURCHASE AND SALE OF THE EXCHANGE BONDS (HEREINAFTER REFERRED TO AS THE “PRINCIPLE CONTRACT”) UNDER THE FOLLOWING TERMS AND CONDITIONS: THE ISSUER SHALL SELL TO YOU AND YOU SHALL ACQUIRE FROM THE ISSUER (OR THE

COMMISSION AGENT, ATTORNEY OR OTHER AGENT APPOINTED BY THE ISSUER) AND PAY FOR THE EXCHANGE BONDS IN THE NUMBER, AT THE PLACEMENT PRICE AND WITH THE COUPON RATE SPECIFIED IN THE NOTICE OF ACCEPTANCE. IN THIS REGARD THE NUMBER OF THE EXCHANGE BONDS SPECIFIED IN THE NOTICE OF ACCEPTANCE WILL DEPEND ON THE PLACEMENT PRICE, COUPON RATE AND MARKET DEMAND FOR THE EXCHANGE BONDS. YOUR OFFER TO PURCHASE MAY BE ACCEPTED IN FULL OR IN PART. IF YOUR OFFER TO PURCHASE IS ACCEPTED IN PART, THE PRELIMINARY CONTRACT SHALL BE DEEMED TO HAVE BEEN ONLY CONCLUDED WITH RESPECT TO THE PART OF YOUR OFFER TO PURCHASE SPECIFIED IN THE NOTICE OF ACCEPTANCE*. PROCEDURE FOR CONCLUSION OF THE PRINCIPLE CONTRACT (PROCEDURE FOR PLACEMENT OF THE EXCHANGE BONDS), COMMENCEMENT DATE OF PLACEMENT OF THE EXCHANGE BONDS, PLACEMENT PRICE, COUPON RATE AS REGARDS THE EXCHANGE BONDS AND THE PROCEDURE FOR SETTLEMENTS SHALL BE SET (DETERMINED) IN ACCORDANCE WITH THE ISSUING DOCUMENTS.

This Statement, Offer to Purchase and Notice of Acceptance (if any) shall be deemed an integral part of the Preliminary Contract.

All the disputes related to conclusion of the Preliminary Contract, validity or execution thereof shall be settled by Moscow Arbitration Court.

You can send a copy of you Offer to Purchase to:

Sberbank CIB: by fax (495) 258-05-47 or by e-mail Debt_Syndicate@sberbank-cib.ru
(Attn: Maksim Vashlaev)

«BANK «ROSSIYA»»: by phone (495) 666-32-50 ext. 1504, attn: Vladimir Larionov

with subsequent mandatory sending of original Offer to Purchase:

by courier to the office of Sberbank CIB at: 4 Romanov pereulok, Moscow, 125009 (Attn: Maksim Vashlaev).

Sincerely,

Public Joint Stock Company «Transneft»

*In the Notice of Acceptance there will be specified the number of the Exchange Bonds calculated on the basis of the placement price as well as the corresponding portion of the amount specified in your Offer to Purchase as the maximum amount you are ready to spend for acquisition of the Exchange Bonds.

2.7. Form of a proposal to conclude preliminary contract of purchase of the Exchange Bonds series EO-06 (Offer to Purchase):

[ON THE INVESTOR'S LETTERHEAD (for legal entities)]

Date:

To Sberbank CIB

Correspondence address:

4 Romanov pereulok, Moscow, 125009

Fax: (495) 258-05-47

Attn: Maksim Vashlaev, Artur Plaude
E-mail Debt_Syndicate@sberbank-cib.ru

Copy to «BANK «ROSSIYA»
Correspondence address:
18 Merzlyakovskiy pereulok, bldg. 2, Moscow, 121069
Phone: (495) 666-32-50 ext. 1504
Attn: Vladimir Larionov

OFFER TO CONCLUDE A PRELIMINARY CONTRACT OF PURCHASE AND SALE

We have familiarized ourselves with the terms, conditions and procedure for placement of documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series BO-06 of Public Joint Stock Company «Transneft» with the possibility of early redemption upon the holders' request and at the discretion totaling seventeen million (17,000,000) pieces with nominal value of one thousand rubles (RUB 1,000) each and the total nominal value of seventeen billion rubles (RUB 17,000,000,000) with maturity date on three thousand six hundred and fortieth (3,640th) day since the commencement date of placement of the exchange bonds of that issue with the possibility of early redemption upon the holders' request and at the Issuer's discretion placed by public subscription (identification number 4B02-06-00206-A dated 15 March 2010) (hereinafter referred to as the "Exchange Bonds") specified in the Decision on Issue of Securities and Securities Prospectus.

Having considered analysis of financial, economic, legal and other risks and consequences of acquisition and holding the Exchange Bonds, we [please, specify you full name] [acting as an attorney (for management companies)] hereby undertake on the commencement date of placement of the Bonds to conclude the principal contracts of purchase and sale of the Exchange Bonds from Sberbank CIB rendering to the Issuer the services concerning placement of the Exchange Bonds and acting for and at the account of the Issuer in accordance with the Decision on Issue of Securities and Securities Prospectus under the following terms and conditions:

The Maximum amount which we are ready to spend for acquisition of the Exchange Bonds (Russian rubles)**	The Minimum first coupon rate as regards the Exchange Bonds at which we are ready to acquire the Exchange Bonds for the said maximum amount
[please specify]	[please specify]

Please note that [please specify the name of your broker] will act as a trader on MICEX Stock Exchange making offers for purchase of the Exchange Bonds under our instructions (for the Buyers acting through brokers).

This Offer shall be valid through the end date of placement of the Exchange Bonds inclusive.

Please use the following details to send the Notice of Acceptance of this offer: if sent by courier [specify address of your office (for individuals – place of registration)], if sent by fax [specify fax number of your office (for individuals – fax number)], if sent by e-mail [specify e-mail of your executive at your office].

Sincerely,

Name:
Position:

L.S.

**This amount shall be net of the expenses for acquisition of the Exchange Bonds and settlements.

3. Signature

3.1. Vice President, Transneft

Acting under Power of Attorney No. 94 dated 01 March 2016 _____ R. R. Sharipov
(signature)

3.2. Date: 30 August 2016

L.S.