

**Notification of a Material Fact**  
**Information that, in the issuer's opinion, has a significant effect on the value of**  
**its equity securities**

1. General Information	
1.1. The issuer's full corporate name	<b>Public Joint Stock Company Transneft</b>
1.2. The issuer's abbreviated corporate name	<b>Transneft</b>
1.3. The issuer's principal place of business	<b>Moscow, Russian Federation</b>
1.4. The issuer's OGRN (Primary State Registration Number)	<b>1027700049486</b>
1.5. The issuer's INN (Taxpayer's Identification Number)	<b>7706061801</b>
1.6. The issuer's unique code assigned by the registering body	<b>00206-A</b>
1.7. The address of the web page used by the issuer for the purposes of disclosing information	<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>
2. Notification Content	
<p>2.1. Brief description of the event (action), the happening (commission) of which, in the issuer's opinion, effects the value of its equity securities: <b>Issuer's deciding on the timeframe for sending offers from potential purchasers of exchange-traded certificated interest-bearing non-convertible bonds to bearer with mandatory collective custody of series BO-001R-08 Transneft (hereinafter referred to as the "Exchange-traded Bonds") placed within the framework of the Exchange-traded Bonds Program, which has the identification number 4-00206-A-001P-02E of April 06, 2016 (hereinafter, the "Exchange-traded Bonds Program"), issue identification number and international identification code (number) of securities identification (ISIN): not assigned at the disclosure date.</b></p> <p>2.2. In the event that the relevant event (action) relates to or is connected with a third party, the full corporate name (for non-commercial organizations – the name), principal place of business, INN (if applicable), OGRN (if applicable) or the last name, first name, patronymic of such person: <b>It is not possible to provide information, the information affects potential purchasers of the Transneft Exchange-traded bonds.</b></p> <p>2.3. In case the relevant event (action) relates or is connected with the decision taken by the authorized management body of the issuer or a third party, the name of such management body, the date of decision and its content, the drawing up date and the number of protocol of the authorized management body meeting if the decision was made by the collegial management body of the concerned person: <b>The decision was made by the Sole Executive Body - the President of Transneft on October 11, 2017 (Order No. 179 as of October 11, 2017).</b></p> <p><b>Content of the decision:</b></p> <p><b>To place non-convertible interest-bearing certificated exchange-traded bonds with mandatory centralized custody of series BO-001P-08 Transneft (hereinafter referred to as the "Exchange-traded Bonds") under the Exchange-traded bonds program with identification number 4-00206-A-001P-02E as of April 04, 2016 (hereinafter referred to as the "Exchange-traded Bonds Program").</b></p> <p><b>To establish that the Exchange-traded bonds placement is carried out by targeted bids collecting from buyers for the purchase of Exchange-traded bonds at a fixed price and the coupon rate for the first coupon period, predetermined by Transneft in accordance with the procedure and on terms stipulated by the Exchange-traded bonds program (Forming of the bid book).</b></p> <p><b>To establish that offers with a proposal to conclude Preliminary contracts, as this term is defined in the Exchange-traded bonds program, should be sent to the address of Gazprombank (Joint Stock Company).</b></p> <p><b>To establish that the time period for sending of offers with the proposal to conclude</b></p>	

**Preliminary contracts with potential purchasers of Exchange-traded bonds series BO-001P-08, as this term is defined in the Exchange-traded bonds program, containing the obligation to enter into future contracts with them or with the traders acting in their interests, aimed at alienation of the offered Exchange-Traded Bonds of BO-001P-08 series, begins at 11:00 a.m. on October 12, 2017 and ends at 04:00 p.m. on October 12, 2017.**

**Concerning: Participation in placement of Exchange-traded bonds of Transneft Public Joint-Stock Company series BO-001R-08.**

**ATTENTION: YOU SHOULD READ THE FOLLOWING INFORMATION BEFORE TAKING ANY ACTION.**

This notification extends to the information below and to the issue documents posted on the Internet at: <http://www.e-disclosure.ru/portal/company.aspx?id=636> (hereinafter jointly referred to as "Documents"), and You should carefully read the provisions of this notification before you take any action in connection with such Documents. When acquainting and carrying out any actions in connection with the Documents, you agree to comply with the following conditions, including any changes to such conditions that may be received by you from us as a result of your acquaintance with the Documents.

**THIS NOTIFICATION AND DOCUMENTS SUBMITTED TO YOUR ATTENTION ARE NOT AN OFFER FOR THE SALE OF ANY SECURITIES AND ARE NOT INTENDED TO BE INTRODUCED FOR FAMILIARIZATION OR ACCESS TO PERSONS IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN.**

**THIS NOTIFICATION AND DOCUMENTS CANNOT BE DIRECTED OR DISTRIBUTED, EXCEPT AS IN THE ORDER, DESCRIBED BELOW, AND ALSO CANNOT BE REPRODUCED BY ANY WAY.**

Neither Gazprombank (Joint Stock Company) nor Transneft (Public Joint Stock Company) (hereinafter referred to as the "Issuer") hereby make any offer to sell any securities or carry out activities aimed at obtaining an offer to purchase any securities in respect of any person in any jurisdiction. This Notification and the Documents brought to your attention can not be used for or in connection with the preparation of any notification in any jurisdiction or under any circumstances in which such a prepared notification is deemed inadmissible or illegal. The issuer requires each person who accesses this Notification and the Documents to study and comply with such restrictions. The documents submitted for your familiarization are purely informative and do not constitute an advertisement or an offer to sell any securities in any country.

Any Issuer's securities cannot be offered for sale or sold in the United States of America without registration or obtaining of relief of registration in accordance with the US Securities Act of 1933 (in its current version).

This notification and Documents are intended only for: (i) persons who are outside the territory of the United Kingdom, or (ii) professional investors falling under Article 19 (5) of the Order (Financial Assistance) 2005 under the UK Financial Services and Financial Markets Act of 2000 (hereinafter referred to as the "Order"), or (iii) legal entities or other persons with large net capital to which such notification and Documents may be lawfully directed, falling within the scope of Articles from 49(2)(a) to 49(2)(d) of the Order (all such named persons are jointly referred to as the "Relevant Persons"). Any securities can be purchased, and any invitation,

proposal or agreement concerning subscribing, purchasing or other acquiring of such securities can only be accepted by such Relevant Persons. Any other person who is not a Relevant Person shall not be entitled to act in connection with this Notification and Documents or any information contained therein or otherwise rely them.

Any public securities offering that may be deemed to have been made on the basis of this Notification and the Documents sending in any Member State of the European Community that has enacted Directive 2003/71/EC (together with any additional procedures for its application in that Member State further is referred to as the “Prospectus Directive”), is addressed exclusively to qualified investors of this EU Member State in the meaning defined by the Prospectus Directive.

This Notification and the Documents is not an issue prospectus for the purposes of their interpretation in accordance with the procedures for the application of Prospectus Directive and other applicable law. This Notification and the Documents, as well as the issue prospectus prepared in connection with the Issuer's securities placement, cannot be distributed in any country where such distribution requires compliance with additional requirements or violates the laws of such a country.

#### **OWNERSHIP OF EXCHANGE-TRADED BONDS OR OTHER FINANCIAL INSTRUMENTS ALWAYS RELATED TO RISKS.**

This Notification is for information only and contains very limited information on investing in Issuer's securities. Such investment should be preceded by a balanced decision based, inter alia, on a thorough analysis of the Issuer, its affiliates, operations, financial condition, sales and revenues, the state of the Russian economy as a whole and other risk factors.

#### **Dear Investor,**

We hereby inform you of the opportunity to participate in the placement of exchange-traded certificated interest-bearing non-convertible bonds to bearer with mandatory collective custody of the series BO-001R-08 Transneft (hereinafter referred to as the “Issuer”). Gazprombank (Joint Stock Company) (hereinafter referred to as “**Gazprombank**”) acts as an organizer of the offering (hereinafter referred to as the “Organizer”). This notification is a proposal to make offers and is not an offer.

CJSC “MICEX Stock Exchange” on April 6, 2016 assigned Identification Number 4-00206-A-001P-02E to the Exchange-traded bonds program. Assignment of an identification number to the Exchange-traded bonds program does not mean that the actual information presented in the issue documents is accurate and reliable.

Placement of the Exchange-traded bonds of a separate issue within the Exchange-traded bonds program identification number 4-00206-A-001P-02E as of April 06, 2016 will occur through the purchase and sale of Exchange-traded bonds in the PJSC Moscow Stock Exchange. The placement of Exchange-traded bonds is scheduled for October 19, 2017, but may take place on another date. The final start date of placement is determined in accordance with the Exchange-traded bonds program and the Securities Prospectus (hereinafter referred to as the “Issue Documents”). Exchange-traded bonds can be paid only in cash.

You can take part in the placement by making an offer in the order set out below to conclude a preliminary agreement on the purchase of Exchange-traded bonds by you (hereinafter referred to as the “Purchase Offer”) in the form set forth in the Annex to this notification, indicating the maximum total amount in rubbles of the Russian Federation, to which you wish and are ready

to purchase Exchange-traded bonds, as well as the minimum rate of the first coupon of Exchange-traded bonds, at which you wish and are ready to purchase Exchange-traded bonds for the specified amount.

**The offer to purchase is your offer to conclude a preliminary contract (as this term is defined below).**

For the purposes of compliance with the requirements for the placement of Exchange-traded bonds procedure, the Organizer considers only those Purchase Orders that have been duly drawn up and signed, and also came in the manner and conditions set forth in this notification.

### **Placement and Settlement Procedure**

If you decide to participate in the Exchange-traded bonds placement, please confirm your agreement with the procedure and terms of Exchange-traded bonds placement set forth in the Issue Documents and this notification, by delivery to Gazprombank (by courier, either by fax or by e-mail) to the specified below address the Purchase Offer appropriately drawn up and signed by you not later than 4:00 p.m. (Moscow time) on October 12, 2017 (the “Time of Book Closing”). At the same time, the Purchase Offer sent by a legal entity must be executed on the letterhead of such a legal entity, signed by an authorized person and sealed. The Purchase Offer cannot be withdrawn after the Time of Book Closing.

In order to avoid misunderstandings and any doubts, we especially draw your attention to the fact that the receipt of your Purchase Offer by the Organizer does not mean that it will be accepted. Neither the Issuer nor the Organizer assumes any obligations and gives no assurances or guarantees that your Purchase Offer will be accepted in full or in any part.

After determining the first coupon rate of the Exchange-traded bonds, the Issuer decides whether to accept or reject your Purchase Offer. Only if a decision is made to accept your Purchase Offer, Gazprombank acting as an agent on behalf of and at the expense of the Issuer, or as a commission agent on its own behalf and at the expense of the Issuer, will send you (by courier or by fax or e-mail) a written notice of acceptance (the “Notice of Acceptance”) of your Purchase Offer to the address or fax number or e-mail address specified in your Purchase Offer. In case of Acceptance Notice sending by fax or e-mail, it is considered to be received by you at the time of sending. In the event that the Issuer decides to reject your Purchase Offer, or the Issuer does not consider your Purchase Offer, or no decision is taken on it, the Organizer will not send you a notice about this. However, the fact that you will not receive such a notification does not mean that your Purchase Offer was accepted (silence is not an acceptance).

**ATTENTION! YOUR PURCHASE OFFER ACCEPTANCE MEANS THE CONCLUSION OF THE PRELIMINARY CONTRACT BETWEEN YOU AND THE ISSUER (HEREINAFTER REFERRED TO AS THE “PRELIMINARY CONTRACT”), IN ACCORDANCE WITH WHICH YOU AND ISSUER MAKE SIGNED MAIN CONTRACT OF EXCHANGE-TRADED BONDS SALE (HEREINAFTER, THE “BASIC CONTRACT”) IN THE DATE OF EXCHANGE-TRADED BONDS PLACEMENT BEGINNING ON THE FOLLOWING TERMS: THE ISSUER AGREES TO SELL YOU, AND YOU AGREE TO PURCHASE FROM THE ISSUER (OR COMMISSION AGENT, APPOINTEE OR OTHER AGENTS APPOINTED BY THE ISSUER) AND PAY FOR EXCHANGE-TRADED BONDS WITHIN AN AMOUNT OF PLACING PRICE AND WITH A COUPON RATE SPECIFIED IN THE ACCEPTANCE NOTICE. HEREIN QUANTITY OF EXCHANGE-TRADED BONDS, INDICATED IN THE ACCEPTANCE NOTICE, WILL DEPEND ON THE PLACING PRICE, THE FIRST COUPON INTEREST RATE AND MARKET DEMAND FOR**

**EXCHANGE-TRADED BONDS. YOUR PURCHASE OFFER MAY BE ACCEPTED FULLY OR IN PART. IF YOUR PURCHASE OFFER IS ACCEPTED IN PART, THE PRELIMINARY CONTRACT WILL BE DEEMED TO BE CONCLUDED ONLY WITH REGARD TO SUCH A PART OF YOUR PURCHASE OFFER WHICH IS INDICATED IN THE ACCEPTANCE NOTICE<sup>1</sup>. PROCEDURE FOR THE MAIN CONTRACT CONCLUSION (ORDER OF EXCHANGE-TRADED BONDS PLACEMENT), DATE OF BEGINNING OF EXCHANGE-TRADED BONDS PLACEMENT, PLACING PRICE, THE FIRST COUPON INTEREST RATE OF EXCHANGE-TRADED BONDS AND THE PROCEDURE FOR PAYMENT ARE SETTLED (DEFINED) IN ACCORDANCE WITH EMISSION DOCUMENTS.**

<sup>1</sup>The Acceptance Notice will indicate the number of Exchange-traded bonds calculated on the basis of the placing price, as well as the corresponding part of the sum of money indicated in your Purchase Offer as the maximum sum of money for which you are ready to purchase Exchange-traded bonds.

This message, the Purchase Offer and the Acceptance Notice (if any) form an integral part of the Preliminary Contract.

All the disputes related to the conclusion of the Preliminary Contract, its validity and performance, are resolved in the Arbitration Court of Moscow.

If you accept above terms and procedure for participating in the Exchange-traded bonds placement, you can send the Purchase Offer by courier to the Gazprombank office to the following address: 119049, Moscow, ul. Koroviy Val, 7 (to the attention of Semen Odintsov), duplicating the Purchase Offer by e-mail to the address: [Syndicate@gazprombank.ru](mailto:Syndicate@gazprombank.ru).

Sincerely,

Public Joint Stock Company Transneft

[ON THE INVESTOR'S LETTERHEAD]

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

#### CONCLUSION OF THE PRELIMINARY PURCHASE AGREEMENT OFFER

We have familiarized ourselves with the terms and procedure for participation in the placement of exchange-traded certificated interest-bearing non-convertible bonds to bearer with mandatory collective custody of the series BO-001R-08, placed through an open subscription under the Bond Program (Bond Program Identification Number 4-00206-A-001P-02E dated April 06, 2016) (hereinafter referred to as the "Exchange-traded Bonds"), set forth in the securities issue, the first part (the Bond Program) and the Securities Prospectus of Transneft (hereinafter referred to as the "Issuer").

Having carefully analyzed the financial, economic, legal and other risks and the consequences of Exchange-traded bonds acquiring and owning, we hereby undertake to conclude the main purchase and sale contracts on the Exchange-traded bonds purchase from the Issuer in accordance with the issue securities decision the first part (the Bond Program) and the Securities Prospectus on the start date of Exchange-traded bonds placement on the following terms:

The maximum amount for which we are ready to buy Exchange-traded bonds (in rubles)* [please specify]	The minimum coupon rate for the first coupon period of Exchange-traded bonds (in % per annum) [please specify]
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This offer is valid until October 19, 2017 inclusive.

Please send an acceptance notice of this offer to the following coordinates: for transfer by courier: [specify the address of your office], for faxing: [specify the fax number of your office], for transmission by e-mail: [indicate the e-mail address of the responsible officer].

Sincerely,

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

Office:

(if the person acts by letter of authority, specify the requisites of the document)

L.S.  
\_\_\_\_\_

\* This amount does not include costs associated with the purchase of Exchange-traded bonds and settlements.

2.4. In the event that the relevant event (action) has or may have a significant impact on the value of certain equity securities of the issuer - type, category and other identification characteristics of such equity securities of the issuer:

- **exchange-traded certificated interest-bearing non-convertible bonds to bearer with mandatory collective custody of the series BO-001R-08, placed under the Exchange-Traded Bonds Program, identification number 4-00206-A-001P-02E of 06/04/2016.**

2.5. The date of the relevant event occurrence (the commission of the action), and if the relevant event occurs in relation to a third party (the relevant action is committed by a third party) - also the date on which the issuer learned about the occurrence of the specified event (committing of the specified action): **October 11, 2017**

### 3. Signature

3.1. Vice President of Transneft acting under  
Power of Attorney No. 94 dated March 01, 2016

\_\_\_\_\_  
(signature)

R.R. Sharipov

3.2. Date: October 12, 2017

L.S.