

**Notification of a Material Fact
Data Having Significant Influence on the Value of the Issuer's Equity Securities, in the
Issuer's Opinion**

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>http://www.e-disclosure.ru/portal/company.aspx?id=636 http://www.transneft.ru</i>
2. Notification content	
<p>2.1. Brief description of the event (action), the occurrence (taking) of which influences the value of its equity securities, in the issuer's opinion: <i>The issuer's making a decision on the timing for sending offers on documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series BO-001P-07 of Transneft (hereinafter, "Exchange Bonds"), which are posted as part of the Exchange Bonds Program under identification number 4-00206-A-001P-02E dated 6 April 2016 (hereinafter, "Exchange Bonds Program"), issue identification number and international securities identification code (number) (ISIN): not assigned as of the disclosure date.</i></p> <p>2.2. If the respective event (action) has to do with or is related to a third party: full corporate name (for non-profit companies, name), location, taxpayer's ID (if applicable), OGRN (if applicable) or the surname, name and patronymic of such person: <i>The information cannot be disclosed as it touches upon the potential buyers of Transneft Exchange Bonds.</i></p> <p>2.3. If the respective event (action) has to do with or is related to a resolution adopted by the issuer's or third party's authorized management body: name of such management body; the date and content of such resolution; the date and number of the minutes of the meeting of the competent management body, if the resolution was taken by the collegial management body of the respective person:</p> <p><i>The resolution was taken by the Sole Executive Body, Transneft President, on 25 April 2017 (Order No. 77 dated 25 April 2017). The resolution content:</i></p> <p><i>"To place documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series BO-001P-07 of Transneft (hereinafter, "Exchange Bonds"), as part of the Exchange Bonds Program under identification number 4-00206-A-001P-02E dated 6 April 2016 (hereinafter, "Exchange Bonds Program").</i></p> <p><i>To establish that the Exchange Bonds be placed by collecting the buyers' target bids for acquisition of Exchange Bonds at a fixed price and a coupon rate for the first coupon period, which was pre-determined by Transneft in such manner and upon such conditions as envisaged in the Exchange Bonds Program (Bookbuilding).</i></p> <p><i>To establish that the offers to conclude Preliminary Agreements, as this term is determined in the Exchange Bonds Program, should be sent to JSC VTB Capital.</i></p> <p><i>To establish that the timing for sending offers to conclude Preliminary Agreements with</i></p>	

potential buyers of Exchange Bonds series BO-001P-07, as this term is defined in the Exchange Bonds Program, containing the duty to conclude the underlying contracts for disposal of placed Exchange Bonds, series BO-001P-07, with them or with bidders acting for their benefit, begins at 11:00 on 25 April 2017, and ends at 15:00 on 25 April 2017.”

Re: Participation in placement of Exchange Bonds, series BO-001P-07, of Public Joint Stock Company Transneft

ATTENTION: YOU SHOULD READ THE BELOW INFORMATION BEFORE TAKING ANY STEPS.

This notification applies to the below information and to the issue documents posted on the Internet at: <http://www.e-disclosure.ru/portal/company.aspx?id=636> (hereinafter, collectively referred to as the “Documents”), and you should read the provisions of this Notification carefully before taking any actions in connection with such Documents. When reading and taking any steps in connection with the Documents, you undertake to comply with the below conditions, including any changes in such conditions as can be received by you from us as a result of your reading the Documents.

THIS NOTIFICATION AND DOCUMENTS SUBMITTED TO YOU ARE NEITHER AN OFFER TO SELL ANY SECURITIES NOR INTENDED FOR EXAMINATION OR ACCESS OF THE PERSONS RESIDING IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, OR JAPAN.

THIS NOTIFICATION AND DOCUMENTS CANNOT BE SENT OR DISTRIBUTED OTHER THAN ACCORDING TO THE PROCEDURE DESCRIBED BELOW, NOR REPRODUCED BY ANY METHODS WHATSOEVER.

Neither JSC VTB Capital nor Public Joint Stock Company Transneft (hereinafter, the “Issuer”) make an offer for sale of any securities nor take any steps aimed at receiving an offer for purchase of any securities with respect to any persons in any jurisdiction. This notification and the Documents submitted to you cannot be used for or in connection with drafting of any message in any jurisdictions or in any circumstances, in which such drafted message is regarded as inadmissible or illegal. The issuer requires that everybody who gains access to this notification and Documents should read and comply with such limitations. The documents submitted for your examination are for information only and must not be regarded as advertising or the offer to sell any securities anywhere.

Any Issuer’s securities cannot be offered for sale or sold in the United States of America without registration or exemption from registration according to U.S. Securities Exchange Act of 1933 (in its applicable version).

This notification and the Documents are only intended for: (i) persons residing outside the Great Britain, or (ii) professional investors whose activities are governed by Article 19(5) of the Order (Financial Assistance) of 2005 as part of the Great Britain’s Law on Financial Services and Financial Markets of 2000 (hereinafter, the “Order”), or (iii) legal or other entities with large net worth, to which such notification and Documents can be legally sent, whose activities are governed by Articles 49(2)(a)–49(2)(d) of the Order (all such indicated persons are hereinafter referred to as the “Eligible Persons”). Any securities can be purchased, and any invitation to, offer of or agreement on subscription, purchase or another acquisition of such securities can only be adopted by such Eligible Persons. Anyone other than the Eligible Persons is not entitled to act in connection with or otherwise rely on this notification and Documents or any information contained in them.

Any public offer of the securities, which can be regarded as based on actual sending of such notification and Documents in any European Community member state that accepted Directive 2003/71/EC for execution (together with any additional procedures for its application in such

member state is hereinafter referred to as the “Prospectus Directive”), is addressed to qualified investors of such EU member state only, in the meaning determined in the Prospectus Directive. This notification and Documents are not an issue prospectus for the purposes of their interpretation according to the procedures for application of the Prospectus Directive and other applicable law. This notification and Documents as well as the issue prospectus drafted in accordance with placement of the Issuer’s securities cannot be distributed in any country where such distribution requires compliance with additional requirements or violates laws of such country.

HOLDING EXCHANGE BONDS OR OTHER FINANCIAL INSTRUMENTS IS ALWAYS RISKY.

This notification is for information only and contains very limited information on investments into the Issuer’s securities. Such investment must be preceded by a prudent resolution based, among other things, on the thorough analysis of the Issuer, its affiliates, transactions, financial standing, sales and income, the state of the Russian economy in general and other risk factors.

Dear Investor,

We hereby advise you of the possibility to take part in placement of inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series BO-001P-07 of Public Joint Stock Company Transneft (hereinafter, the “Issuer”). JSC VTB Capital (hereinafter, “VTB Capital”) acts as the underwriter (hereinafter, the “Underwriter”). This notification is a proposal to make offers and is not an offer itself. On 6 April 2016, MICEX Stock Exchange Closed Joint-Stock Company assigned identification number 4-00206-A-001P-02E to the Exchange Bonds Program. Assignment of an identification number to the Exchange Bonds Program does not mean that actual information provided in the issue documents is precise and reliable.

Placement of Exchange Bonds of a separate issue as part of the Exchange Bonds Program under identification number 4-00206-A-001P-02E dated 6 April 2016, will be carried out by entering into Exchange Bonds sales and purchase transactions at Moscow Exchange. Placement of Exchange Bonds is scheduled for 3 May 2017, but can take place on a different date. The final placement commencement date is set (determined) according to the Exchange Bonds Program and Securities Prospectus (hereinafter, “Issue Documents”). Exchange Bonds can be paid in cash only.

You can take part in the placement by making the offer in the manner determined below to conclude a preliminary agreement concerning your purchase of Exchange Bonds (hereinafter, the “Purchase Offer”), in the format established in the Appendix to this notification, by specifying the maximum total amount in Russian roubles, for which you are willing and ready to purchase Exchange Bonds as well as the minimum rate of the first coupon on the Exchange Bonds, at which you are willing and ready to purchase Exchange Bonds for the said amount.

The Purchase Offer is your offer to conclude the Preliminary Agreement (as this term is defined below).

For the purposes of compliance with the requirements to the Exchange Bonds Placement Procedure, the Underwriter shall only review the duly drafted and signed Purchase Offers received in such manner and upon such conditions as set forth in this notification.

Placement and Settlement Procedure

If you resolve to take part in the Exchange Bonds placement please acknowledge your consent with the Exchange Bonds placement procedure and conditions set forth in the Issue Documents and in this notification, by delivery of the Purchase Offer duly drafted and signed by you to VTB Capital (with a courier or by facsimile or email) at the below address at 15:00 the latest, Moscow time, on 25 April 2017 (hereinafter, “Book Closing Time”). The Purchase Offer sent

by a legal entity must be executed on the letterhead of such legal entity, sealed with its official seal, and signed by its authorized person. The Purchase Offer cannot be revoked after the Book Closing Time.

To avoid misunderstanding and any doubts, we specifically draw your attention to the fact that the Underwriter's receipt of Your Purchase Offer does not mean it will be accepted. Neither the Issuer nor the Underwriter undertake any obligations or provide any assurances or guarantees that Your Purchase Offer will be accepted in full or to any extent.

As soon as the first coupon rate on the Exchange Bonds was determined, the Issuer resolves to accept or deny Your Purchase Offer. It is only in case that Your Purchase Offer is accepted, VTB Capital, acting as the attorney on behalf and in the name of the Issuer or as the commissioner in its name and at the Issuer's expense, shall send to you (with a courier or by facsimile or email) a written acceptance notice (hereinafter, "Acceptance Notice") of Your Purchase Offer at the address or facsimile number or email address indicated in Your Purchase Offer. If the Acceptance Notice is sent by facsimile or email, it is regarded as received by you at the time when it was sent. If the Issuer resolved to reject Your Purchase Offer or the Issuer does not review Your Purchase Offer or no resolution is taken on Your Purchase Offer, the Underwriter will not send the corresponding notice to you. The fact of not sending such notice to you does not mean that Your Purchase Offer was accepted (silence does not imply acceptance).

ATTENTION! ACCEPTANCE OF YOUR PURCHASE OFFER MEANS ENTERING INTO A PRELIMINARY AGREEMENT (HEREINAFTER, "PRELIMINARY AGREEMENT") BETWEEN YOU AND THE ISSUER, WHEREBY YOU AND THE ISSUER UNDERTAKE TO CONCLUDE, ON THE EXCHANGE BONDS PLACEMENT COMMENCEMENT DATE, THE UNDERLYING EXCHANGE BONDS PURCHASE AND SALE AGREEMENT (HEREINAFTER, "UNDERLYING AGREEMENT") UPON THE FOLLOWING CONDITIONS: THE ISSUER SHALL SELL TO YOU, AND YOU SHALL PURCHASE FROM THE ISSUER (OR THE COMMISSIONER OR ANOTHER AGENT APPOINTED BY THE ISSUER) AND PAY FOR EXCHANGE BONDS IN SUCH QUANTITY, AT SUCH PLACEMENT PRICE AND COUPON RATE AS SPECIFIED IN THE ACCEPTANCE NOTICE. THE NUMBER OF EXCHANGE BONDS SPECIFIED IN THE ACCEPTANCE NOTICE WILL DEPEND ON THE PLACEMENT PRICE, INTEREST RATE ON THE FIRST COUPON AND MARKET DEMAND FOR EXCHANGE BONDS. YOUR PURCHASE OFFER CAN BE ACCEPTED FULLY OR PARTIALLY. IF YOUR PURCHASE OFFER IS ACCEPTED PARTIALLY, THE PRELIMINARY AGREEMENT SHALL BE DEEMED CONCLUDED WITH RESPECT TO SUCH PORTION OF YOUR PURCHASE OFFER AS WILL BE INDICATED IN THE ACCEPTANCE NOTICE (1). THE UNDERLYING AGREEMENT CONCLUSION PROCEDURE (EXCHANGE BONDS PLACEMENT PROCEDURE), EXCHANGE BONDS PLACEMENT COMMENCEMENT DATE, PLACEMENT PRICE, FIRST COUPON RATE UNDER EXCHANGE BONDS, AND SETTLEMENT PROCEDURE ARE ESTABLISHED (DETERMINED) ACCORDING TO THE ISSUE DOCUMENTS.

1) The Acceptance Notice shall specify the number of Exchange Bonds calculated based on the placement price and the respective portion of the sum of money specified in Your Purchase Offer as the maximum sum of money, for which you are willing to purchase Exchange Bonds.

This notification, the Purchase Offer, and the Acceptance Notice (if any) make integral part of the Preliminary Agreement.

All disputes related to entering into the Preliminary Agreement, its validity and performance, shall be settled by the Moscow Arbitrazh (Commercial) Court.

If you consent to the above conditions of and procedure for participation in the Exchange Bonds Placement, you can send the Purchase Offer with a courier to VTB Capital's office at: 12, Presnenskaya Embankment, Moscow 123100 (attention: Vladimir Zavershinsky), with concurrent emailing your Purchase Offer at: bonds@vtbcapital.com.

Sincerely,

Public Joint Stock Company Transneft

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

Date:

JSC VTB Capital

Attn: Vladimir Zavershinsky

Correspondence address: 12, Presnenskaya Embankment, Moscow 123100

E-mail: bonds@vtbcapital.com

Attn: Ilya Buchkovsky

We have read the conditions of and procedure for participation in placement of documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series BO-001P-07, which are placed by public subscription as part of the Exchange Bonds Program (Bonds Program identification number: 4-00206-A-001P-02E dated 6 April 2016) (hereinafter, "Exchange Bonds"), as set forth in the Securities Issue Resolution, Part I (Bonds Program) and Securities Prospectus of Transneft (hereinafter, the "Issuer").

Having conducted a thorough review of financial, economic, legal, and other risks and implications of purchase and holding of Exchange Bonds, we hereby undertake to conclude the underlying sale/purchase agreements for our purchase of Exchange Bonds from the Issuer, according to the Securities Issue Resolution, Part I (Bonds Program) and the Securities Prospectus, on the Exchange Bonds placement commencement date upon the following conditions:

Maximum amount, for which we are ready to purchase Exchange Bonds (in roubles) *	Minimum first coupon rate under Exchange Bonds (as % p.a.)
[please specify]	[please specify]

We draw your attention to the fact that [please specify your broker name] (for Buyers operating via the broker) will act as the Bidder at Moscow Exchange issuing requests for purchase of Exchange Bonds at our assignment.

The Offer is valid through 3 May 2017, inclusively.

We kindly ask you to send the Acceptance Notice with respect to this Offer at: for courier delivery, [please specify your office address], for facsimile transmission, [please specify the facsimile number of your office], for email transmission, [please specify the email address of the responsible employee at your office].

All terms used but not defined herein shall be meant in the meaning assigned to them in the Invitation.

Sincerely,

—

Name:

Position:

(if the person acts on the basis of a proxy please specify the document details)

L.S.

* This amount does not include the costs of Stock Exchange purchase and settlements.

2.4. If the respective event (action) related to or can have significant influence on the price for the issuer's certain equity securities: type, category and other identification features of such issuer's equity securities:

- ***documentary inconvertible interest bearing exchange bonds in bearing form with mandatory central keeping, series BO-001P-07, as part of the Bonds Program (identification number of the Bonds Program 4-00206-A-001P-02E dated 6 April 2016).***

2.5. The occurrence date of the respective event (taking an action), and if the respective event occurs with respect to a third party (the respective action is taken by a third party), also the date when the issuer learned of occurrence of the above event (taking the said action): ***25 April 2017***

3. Signature

3.1. Vice President of Transneft

Acting under power of attorney No. 94

dated 01 March 2016

3.2. Date: 25 April 2017

R.R. Sharipov

(signature)

L.S.