



NOVATEK

Renaissance Capital – O&G Week “A Decade of Delivering Clean Energy”



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Hotel National, Moscow, Russian Federation
22 October, 2007*

Disclaimer

FORWARD-LOOKING STATEMENTS

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "will," "may," "should" and similar expressions identify forward-looking statements. Forward-looking statements include statements regarding: strategies, outlook and growth prospects; future plans and potential for future growth; liquidity, capital resources and capital expenditures; growth in demand for our products; economic outlook and industry trends; developments of our markets; the impact of regulatory initiatives; and the strength of our competitors.

The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control and we may not achieve or accomplish these expectations, beliefs or projections. In addition, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include:

- changes in the balance of oil and gas supply and demand in Russia and Europe;
- the effects of domestic and international oil and gas price volatility and changes in regulatory conditions, including prices and taxes;
- the effects of competition in the domestic and export oil and gas markets;
- our ability to successfully implement any of our business strategies;
- the impact of our expansion on our revenue potential, cost basis and margins;
- our ability to produce target volumes in the face of restrictions on our access to transportation infrastructure;
- the effects of changes to our capital expenditure projections on the growth of our production;
- inherent uncertainties in interpreting geophysical data;
- commercial negotiations regarding oil and gas sales contracts;
- changes to project schedules and estimated completion dates;
- potentially lower production levels in the future than currently estimated by our management and/or independent petroleum reservoir engineers;
- our ability to service our existing indebtedness;
- our ability to fund our future operations and capital needs through borrowing or otherwise;
- our success in identifying and managing risks to our businesses;
- our ability to obtain necessary regulatory approvals for our businesses;
- the effects of changes to the Russian legal framework concerning currently held and any newly acquired oil and gas production licenses;
- changes in political, social, legal or economic conditions in Russia and the CIS;
- the effects of, and changes in, the policies of the government of the Russian Federation, including the President and his administration, the Prime Minister, the Cabinet and the Prosecutor General and his office;
- the effects of international political events;
- the effects of technological changes;
- the effects of changes in accounting standards or practices; and
- inflation, interest rate and exchange rate fluctuations.

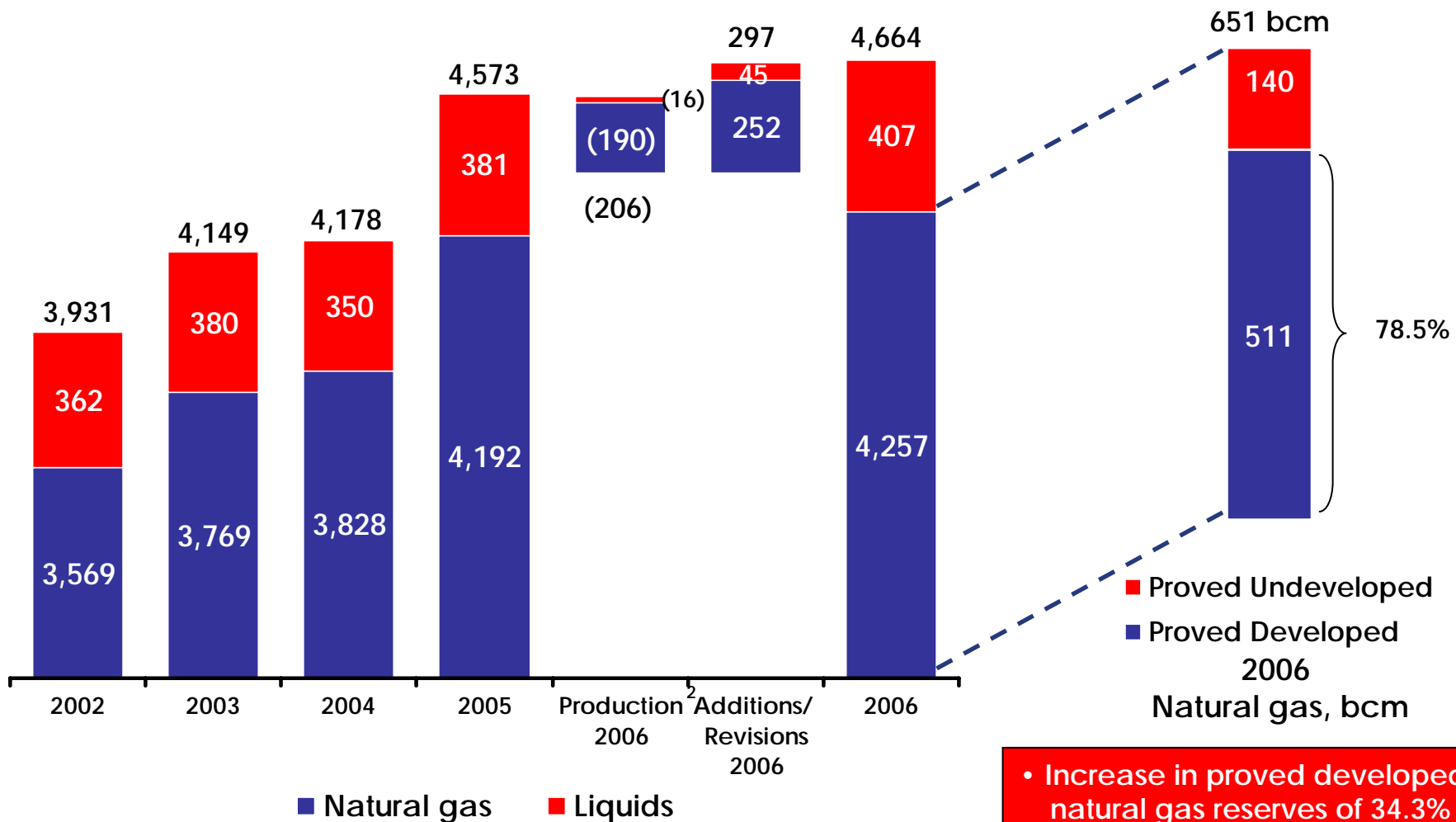
This list of important factors is not exhaustive. When relying on forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which we operate. Such forward-looking statements speak only as of the date on which they are made. Accordingly, we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

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High Quality Long Life Reserves

SEC P1 Reserves movements¹ mm boe



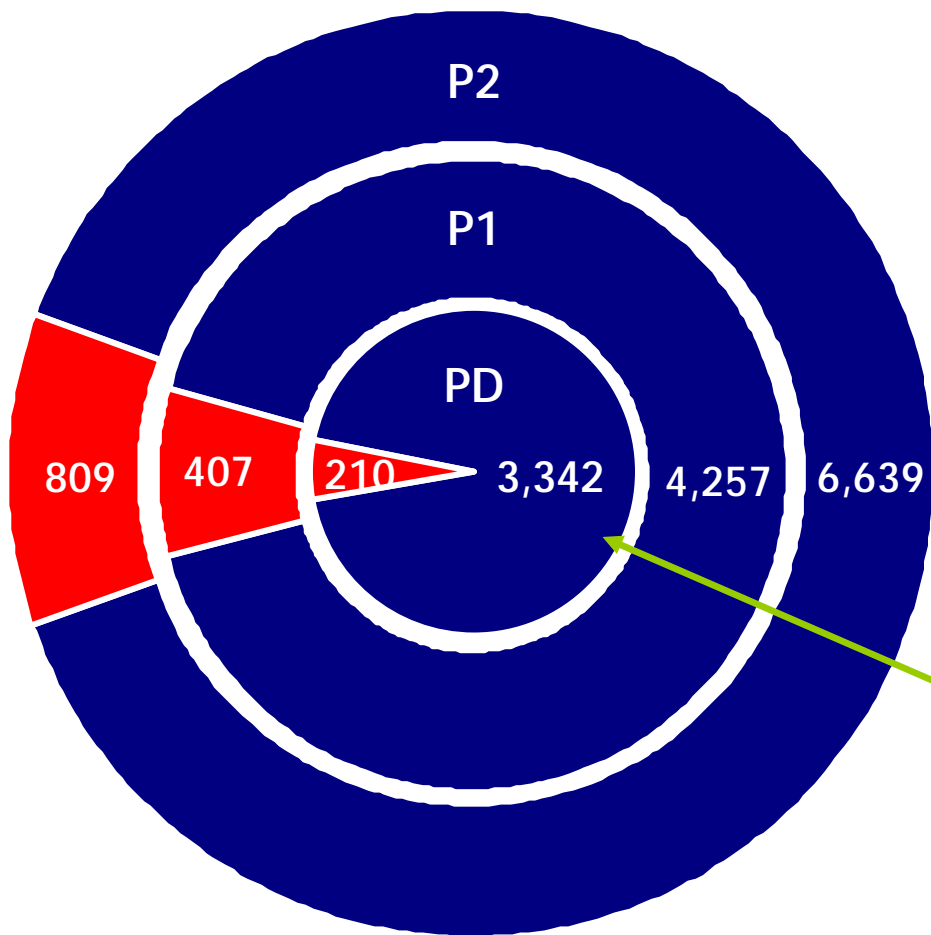
- Increase in proved developed natural gas reserves of 34.3% 2006/2005
- Natural gas reserve/production ratio of 23 years

Notes:

1. Including the Company's equity interest in proved reserves of associates
2. Production net of technical losses and own usage from appraised fields only

Resources for sustained long-term growth

2006 Reserves, MM boe



■ Natural gas ■ Liquids

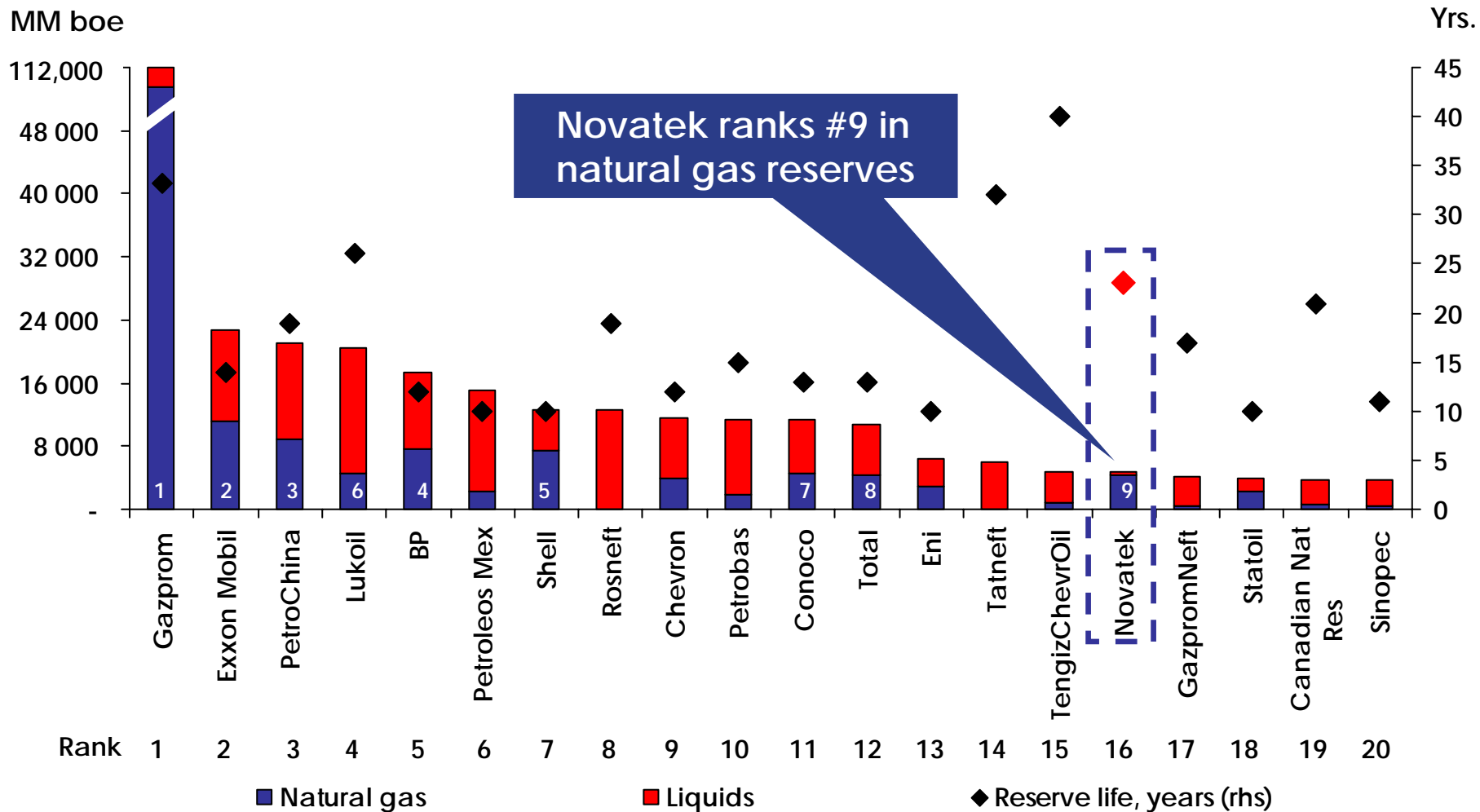
2006 Reserve life

Reserve category	Reserves/production (years)		
	Gas	Oil/liquids ²	Total
Proved (P1)	23	22	23
Proved + Probable (P2)	35	43	36
ABC1	30	38	30

As of December 31, 2006, NOVATEK's proved developed (PD) reserves accounted for ~76% of total P1 reserves.

Natural gas accounts for ~ 90% or more of total P2, P1 and PD reserves.

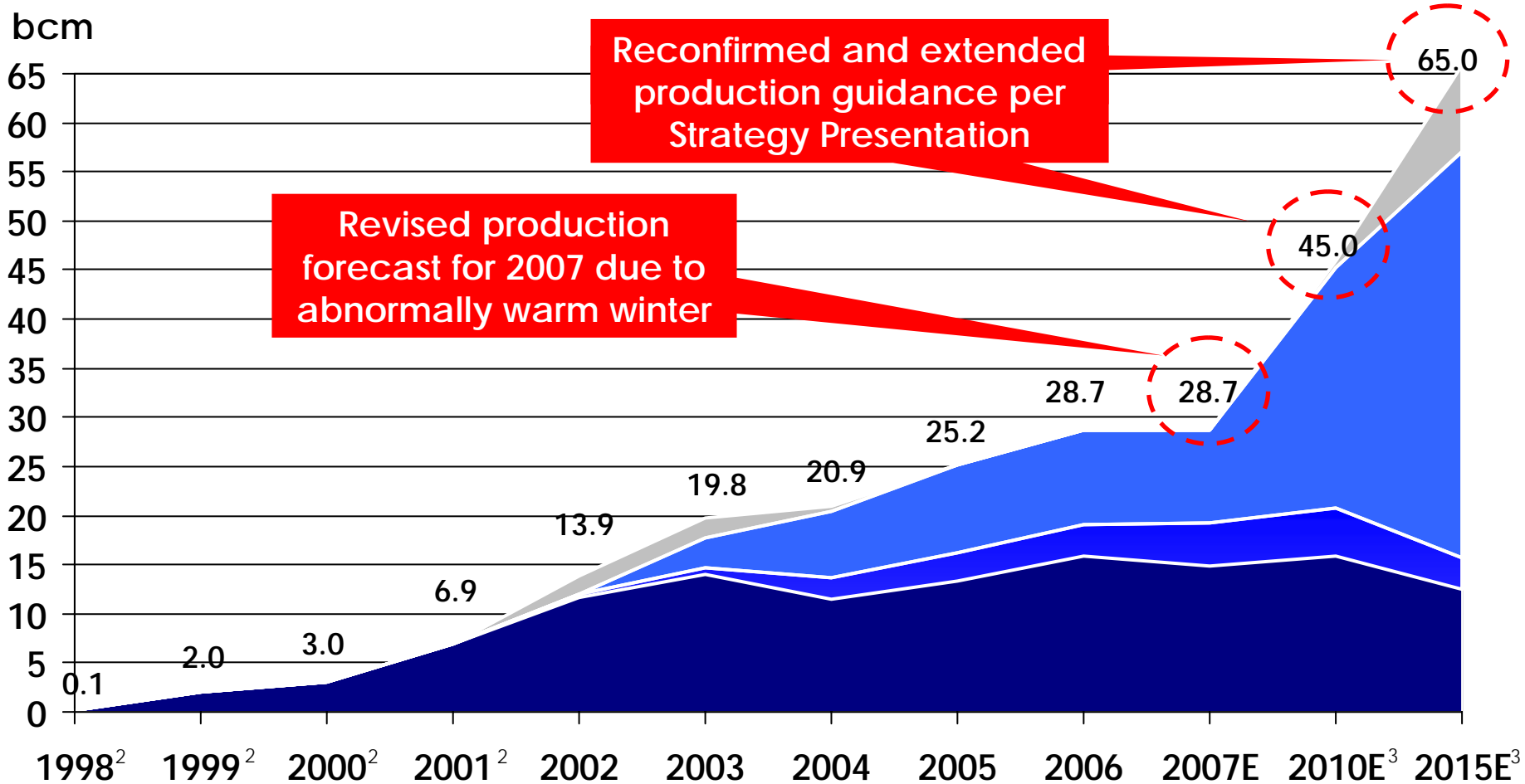
Global oil and gas reserves - 2006



Source: John S. Herold Inc. and Harrison Lovegrove & Co., 2007 Global Upstream Performance Review, Company data

Production growth

Natural gas production overview



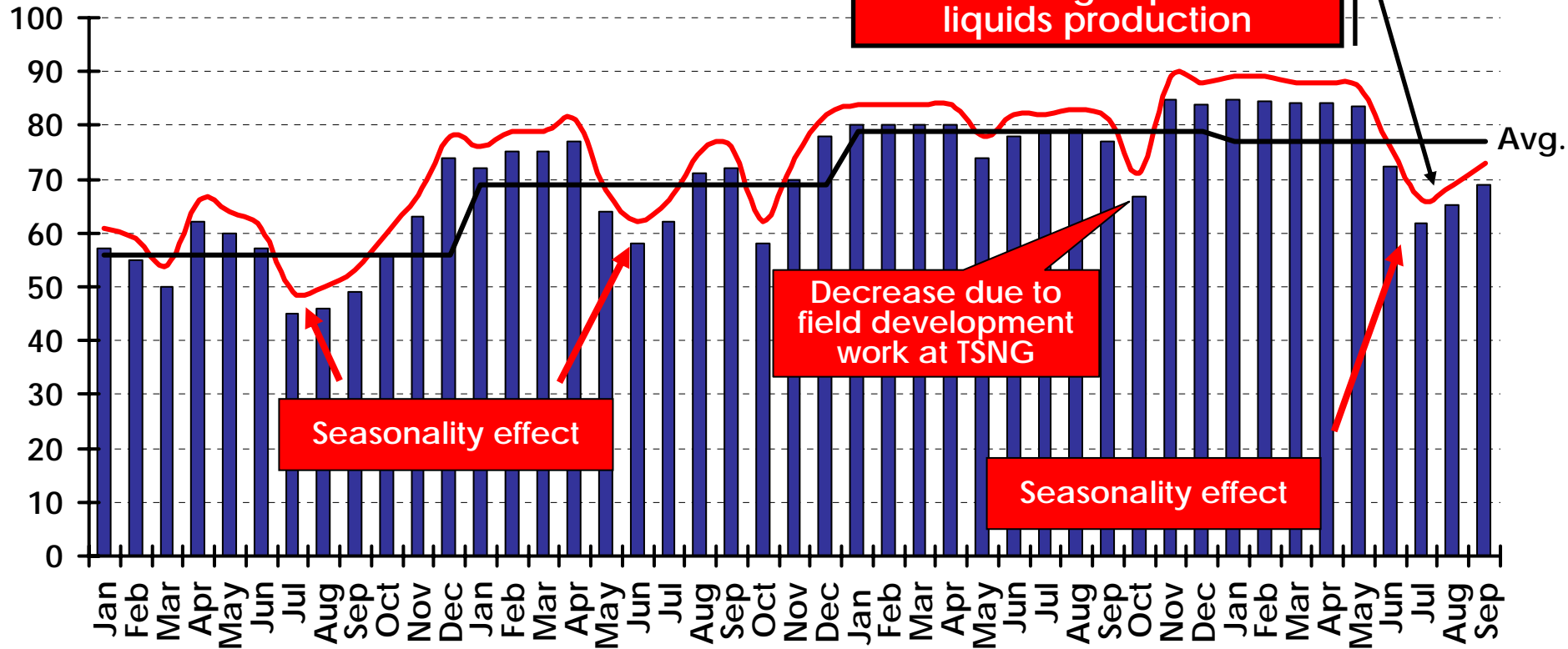
■ East Tarkosalinskoye ■ Khancheyevskoye ■ Yurkharovskoye ■ Other

Notes:

1. Gross natural gas production, 100% from all fields
2. Net of NOVATEK's share of production from West Tarkosalinskoye
3. Based on Company Strategy Presentation April 2007 - London, UK

Increasing natural gas production

Monthly Gas Production, mmcm/day



2004

2004 Avg.
56 mmcm/day
1,976 bcf/day

2005

2005 Avg.
69 mmcm/day
2,436 bcf/day

2006

2006 Avg.
79 mmcm/day
2,789 bcf/day

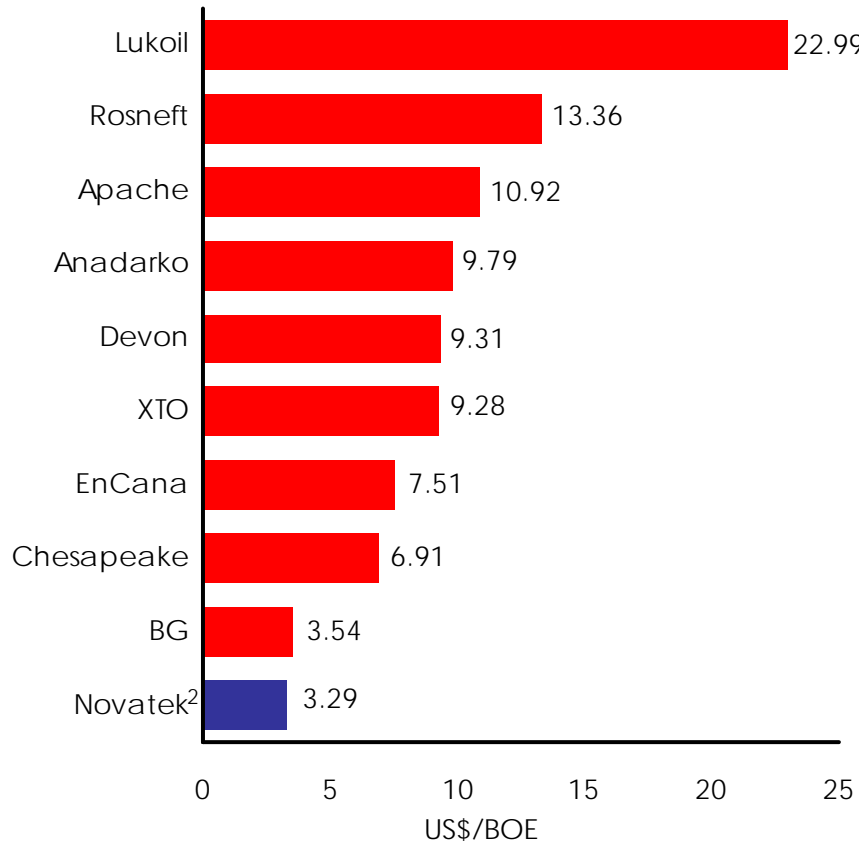
9M 07

9M 07 Avg.
77 mmcm/day
2,719 bcf/day

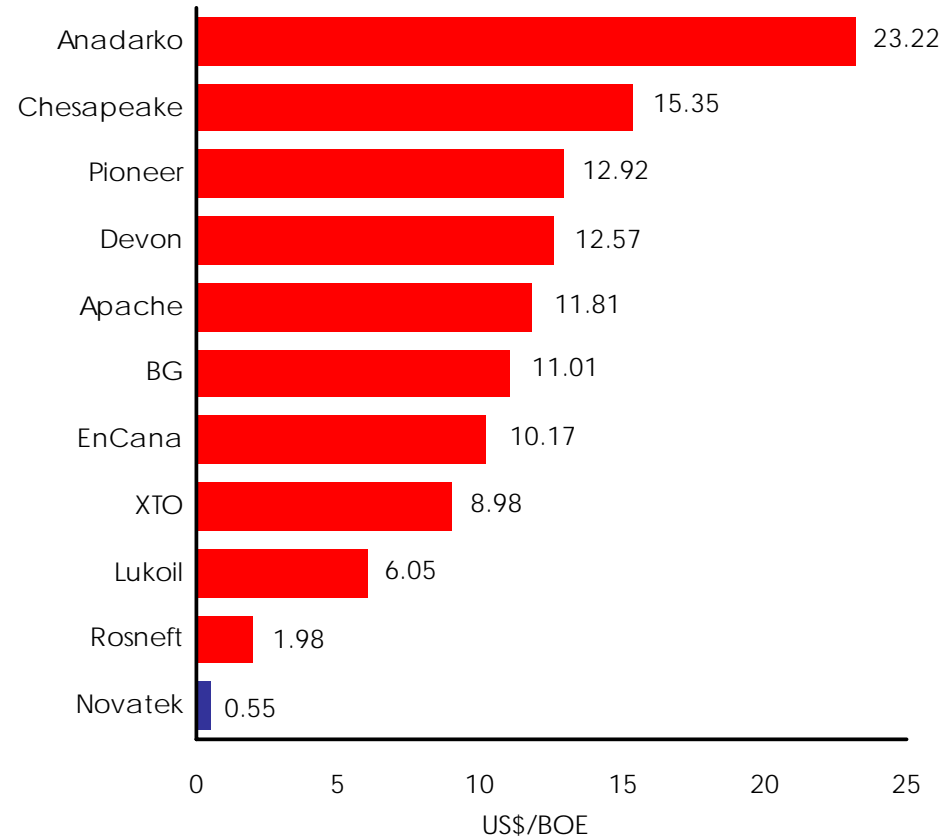
Low cost producer

World class efficiency

Lifting Costs (2006) ¹



3 yr. Avg. Reserve Replacement Cost (2004-2006)



Source: John S. Herold Inc. and Harrison Lovegrove & Co., 2007 Global Upstream Performance Review

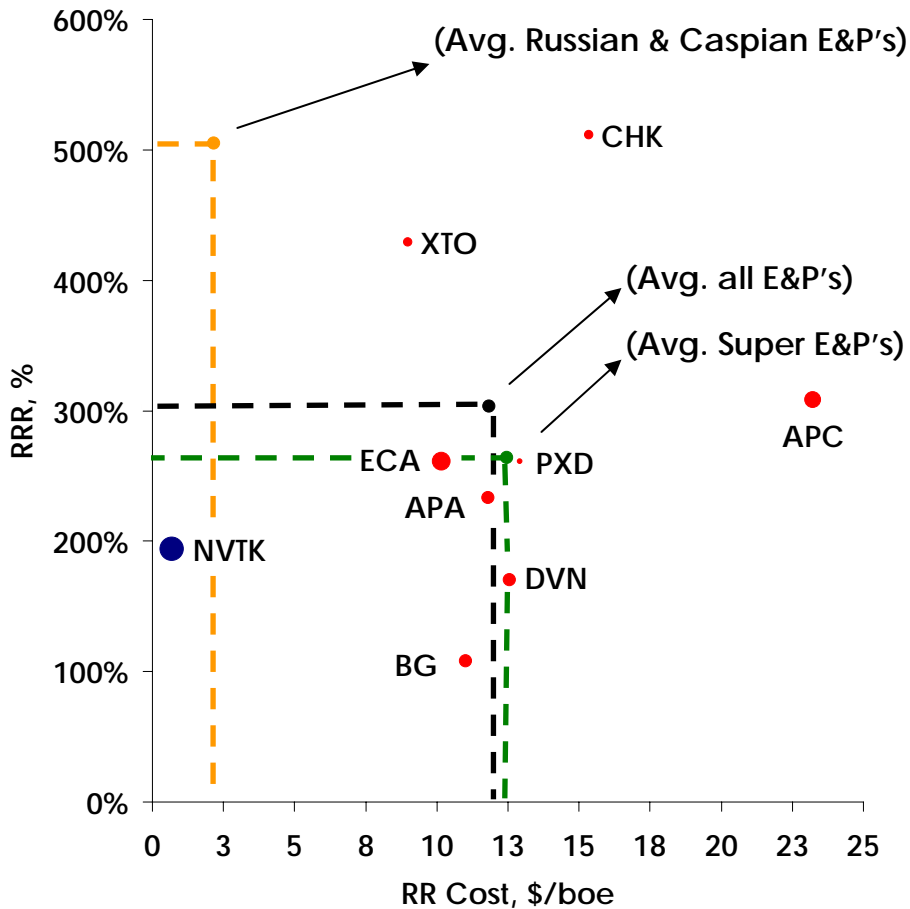
Notes:

1. Lifting costs include shipping/transportation/handling expenses, taxes other than income and production related G&A
2. Novatek lifting costs from company data and does not include production related G&A



Efficiency indicators

3 year average 2004 - 2006

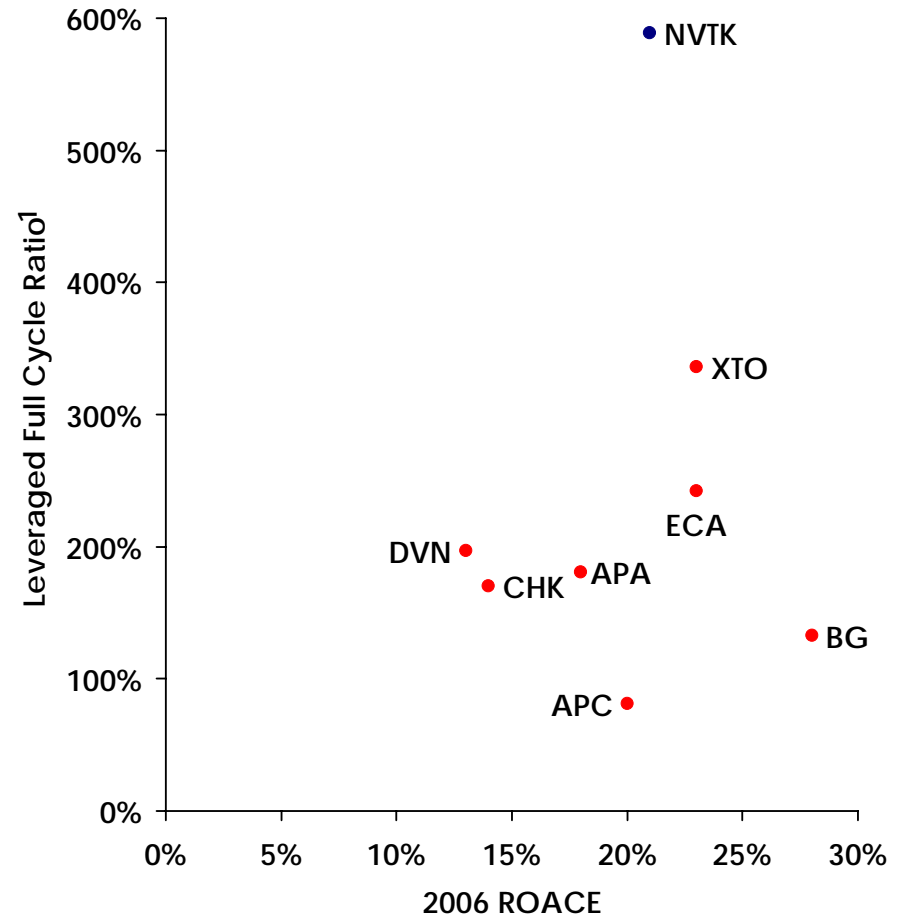


(Bubbles drawn to scale based on proved reserves)

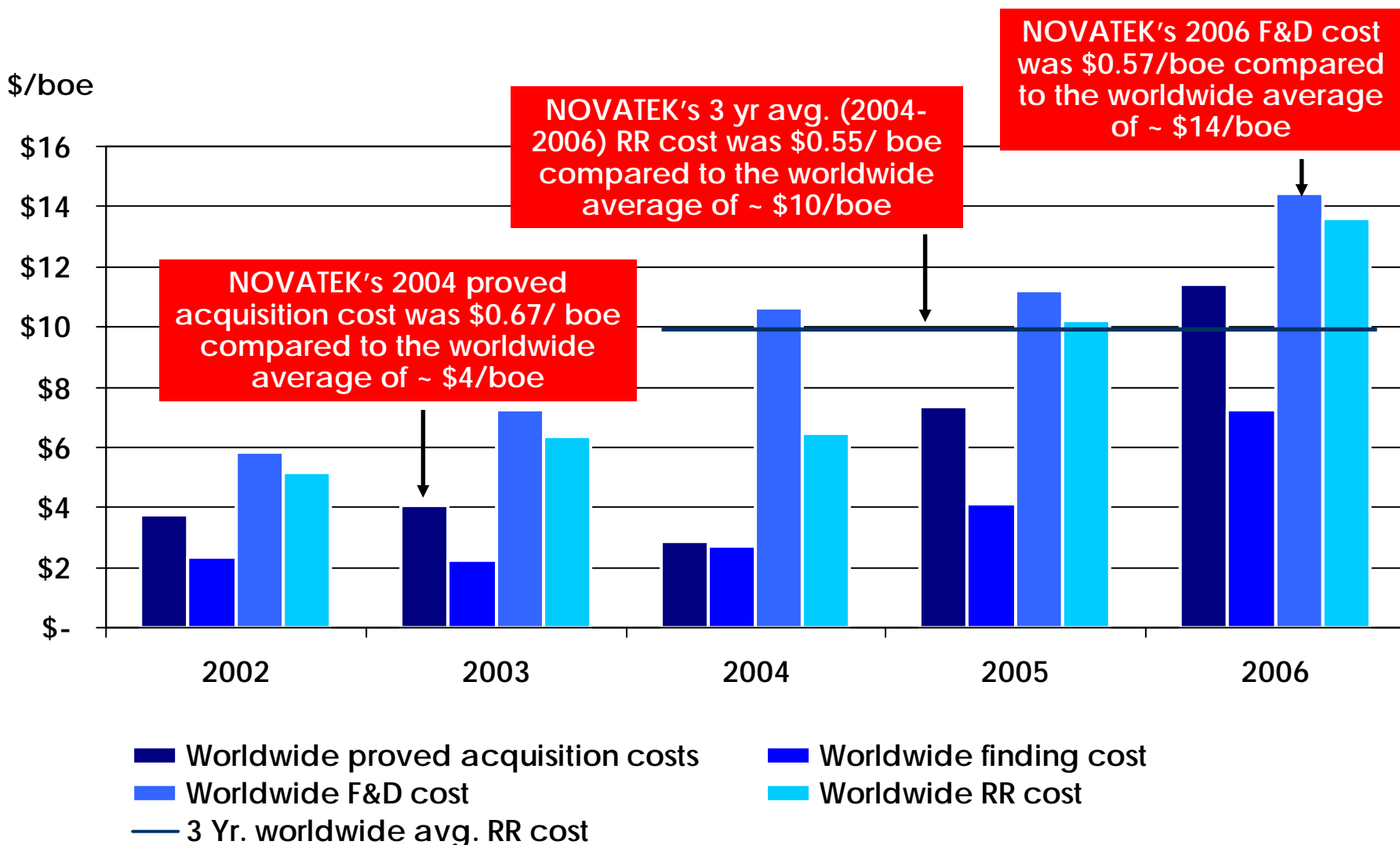
Source: John S. Herold Inc. and Harrison Lovegrove & Co., 2007 Global Upstream Performance Review, Yahoo finance and Company data

Notes:
1. Full cycle ratio equals cash margin per BOE divided by 3 yr avg. F&D costs per BOE

Efficient use of capital & cost discipline



Worldwide performance metrics

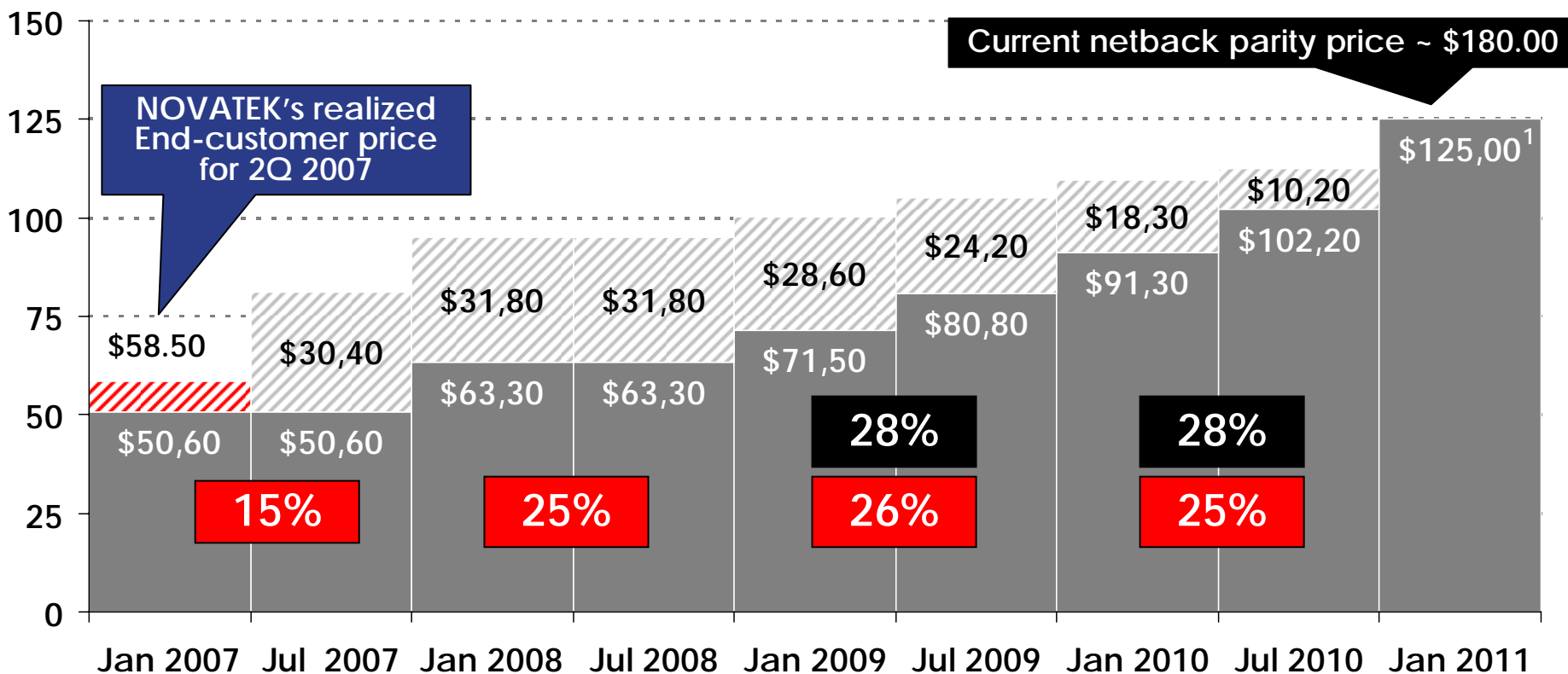


Source: John S. Herold Inc. and Harrison Lovegrove & Co., 2007 Global Upstream Performance Review and Company date



Liberalized pricing environment

Pricing update to achieve export netback parity



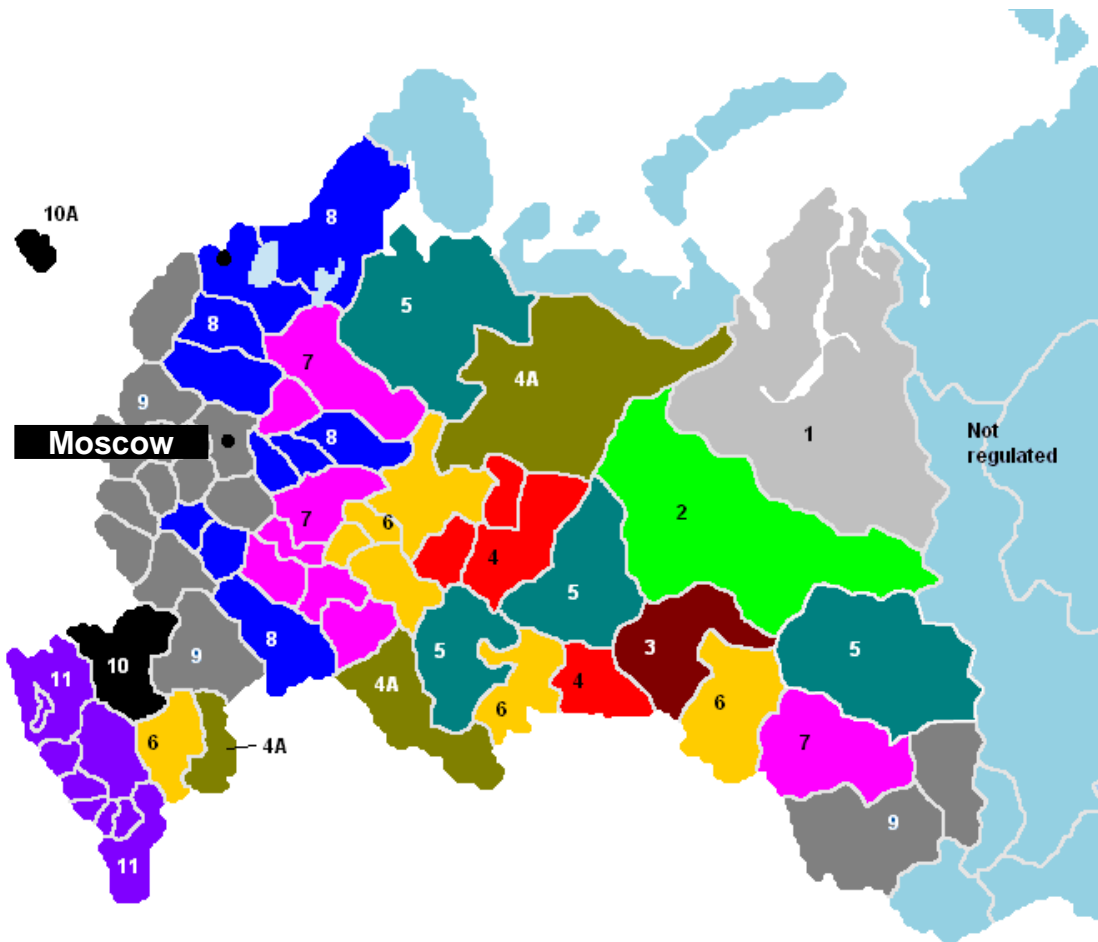
Source: Industry and Energy Ministry, average regulated price for the Russian Federation

Notes: 1. Based on netback parity at November 2006

 July 2007 Gazprom received approval for higher prices for gas deliveries to new customers and for increased supply over agreed volumes to current customer

Gazprom is subject to regulated prices for domestic gas sales, whereas NOVATEK is not subject to regulated prices and, as a general rule, realizes higher average prices for natural gas sales on the domestic market

Current regulated price and net-back parity price



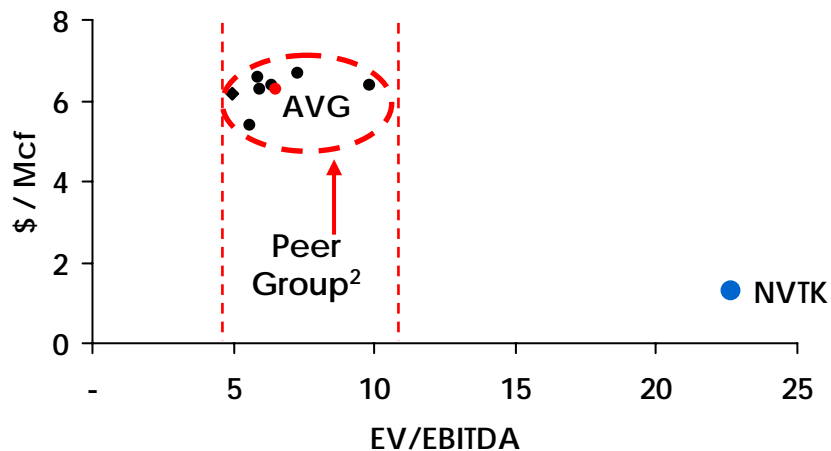
Zone	Current net-back parity price \$/mcm	Current regulated price \$/mcm
I	100.53	30.55
II	120.82	36.75
III	142.31	43.29
IV	160.12	48.71
IVa	154.39	46.98
V	163.69	49.80
VI	168.43	51.22
VII	170.12	51.76
VIII	178.16	54.20
IX	184.00	55.96
X	190.39	57.92
Xa	215.69	65.61
XI	192.00	58.39

FTS to publish quarterly net-back parity reports to inform gas market participants about the principles of natural gas wholesale price formation. Current net back parity price is roughly 3.3x greater than current regulated price.

Source: Federal Tariff Service, 9/7/2007

What if scenarios...gas price sensitivities?

1. NVTK 2006 EBITDA¹ - Price \$1.30 / mcf



- Planned gas liberalization together with NOVATEK's significant operating leverage bring valuation multiples in line with peers
- Pro-forma EBITDA gas transportation tariffs increased by 175% over 2006 levels and natural gas production tax increased to 15% of end customer price, while production and sales volumes and other expenses held constant
- Pro-forma gas prices for NOVATEK based on gas prices of \$125/1000 m³ and \$180/1000 m³

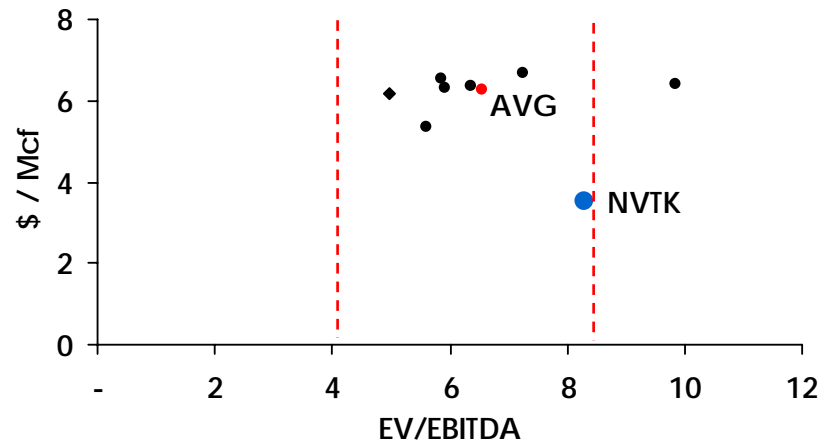
Source: Yahoo finance, Company data

Notes:

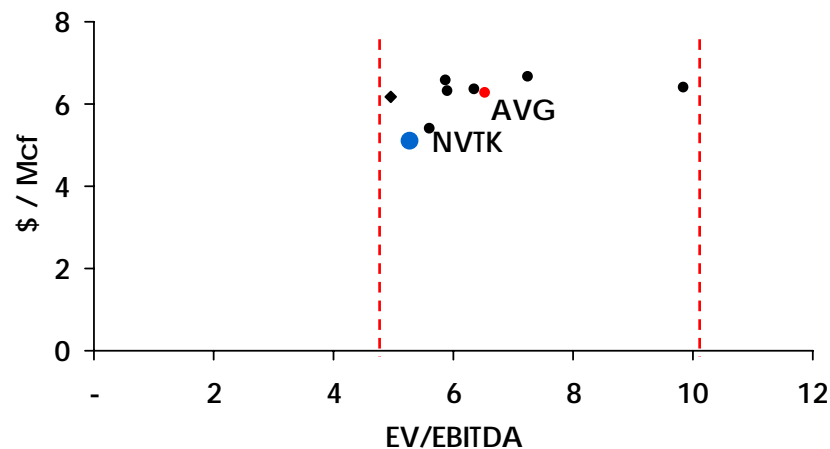
- NOVATEK figures based on 2006 results, RR/\$ = 27.17
- Peer group based on ttm



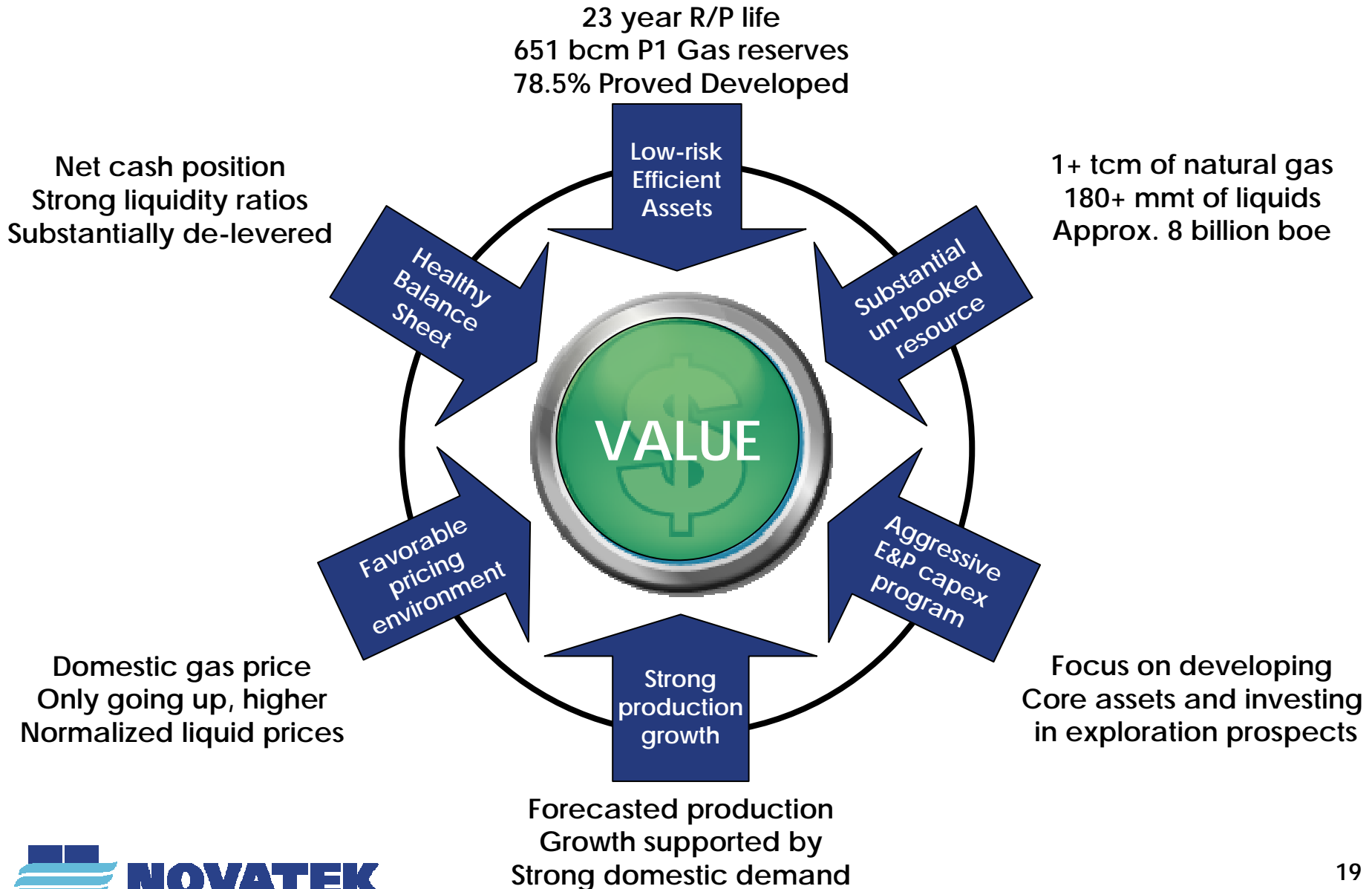
2. Pro-forma NVTK EBITDA -Price \$3.54 / mcf



3. Pro-forma NVTK EBITDA -Price \$5.10 / mcf



Value formula



Questions and Answers