**Investment Project Passport**

**Exploration and Commercial Development of the West Anabar oil field in the Republic of Sakha (Yakutia)**

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| **#** | **Section Name** | **Section Contents** | | |  |
| 1. | Description of the project | Name of the project: | | | Exploration and commercial development of the West Anabar license area in Sakha Republic (Yakutia) |
| Project`s Objective | | Other | Geological survey and commercial development |
| Products characteristics: | | | Oil, natural gas, gas condensate.  As a result of the calculation of reserves for the South Tigyanskoye oil field within the West Anabar license area, oil reserves are amounted to:  Geological – 27,922 thousand tons of category C1,  52,427 thousand tons of category С2  Recoverable – 5,584 thousand tons of category C1,  10 485 thousand tons of category С2  Total for C1 + C2 categories, oil reserves are:  Geological – 83,149 thousand tons  Recoverable - 16,070 thousand tons  Estimation of prospective oil resources of category D0 amounted to:  Geological - 477 million tons  Retrievable - 90 million tons |
| Main stages of the project: | | | Geological exploration, production drilling, field facilities, construction of extension pipelines, oil loading terminal, oil, natural gas and gas condensate production |
| Provision of raw materials and other materials | | | - |
| Sales market | | | Commercial export of oil and gas to Europe, the countries of the Asia-Pacific region and to adjacent regions of the Russian Federation, as well as for the needs of housing and communal services and the population of the Anabar region of Yakutia |
| Expected annual volume of products / services | | | According to the estimation of the Siberian Scientific and Technical Center, the ranges will be:  Oil - 12 million tons per year  gas - 10 billion cubic meters per year  gas condensate - 114 thousand tons per year. |
| Technology | | | - |
| Project implementation period | | | 2025 – oil production  2030 – gas production |
| Other necessary information about the project concept: | | | - |
| 2. | Project initiator | Full name of the organization: | | | Tuimaada-neft Oil Company JSC |
| Foundation year, activities: | | | 1998, retail and wholesale of petroleum products |
| Main shareholders: | | | - |
| Authorized capital: | | | RUB 95 million |
| Legal and postal address: | | | 46 Kurashova Street, Yakutsk, Sakha Republic (Yakutia), Postal Code 677005 |
| е-mail, phone number: | | | [tuymaada.neft@yandex.ru](mailto:tuymaada.neft@yandex.ru) [www.tuneft.ru](http://www.tuneft.ru)  +7 4112 32 43 32 |
| Chief Executive, Full Name: | | | Stepan Chepalov |
| 3. | Location | | | | The West Anabar license area is located in the Anabar district of Sakha Republic (Yakutia), 8 km away from the bay of Noordwijk Laptev Sea. The distance to the nearest settlement (the village of Yuryung-Haya) is 120 km. The distance to the city of Yakutsk is 1700 km. |
| 4. | Project Readiness Level | Stage of Project development | Idea | |  |
| Business plan | | Preliminary feasibility studies |
| Scientific and Technial Documentation | | Operational estimation of C1 + C2 category oil reserves for the Yuzhno-Tygyyansky oil field (16 million tons recoverable), evaluation of perspective oil resources of category D0 in Chaydakhskaya, Vostochno-Gurimisskaya and Zapadno-Gurimisskaya local structures (90 million tons recoverable) |
|  | Design documentation | | Exploration of the West-Anabar license area |
|  | Pre-production | |  |
|  | Mass production | |  |
|  | Prototype | |  |
|  | Other | | 2D seismic work was carried out in the volume of 431 linear km; Previously, a pilot operation of well No. 102-p was carried out at the Yuzhno-Tygyanskoe oil field (about 2,000 tons of oil was produced) |
| Land and/or property availability: | | | Area of 1564 sq. km is allocated for carrying out prospecting, exploration and production of raw hydrocarbons until 2033. |
| 5. | Total cost of the project, source of fund | Total cost of the project | | | RUB 364.7 million |
| Volume of own investments: | | | RUB 300 million |
| Exchange rate on the date of passport formation | | | USD 1 = RUB 60 |
| 6. | Required amount of investments | | | | RUB 364 million |
| 7. | Form of investor participation | Co-investment | | With the management rights | Yes |
| Without management rights | - |
| Borrowed financing | | Credit | - |
| Leasing | - |
| Financing portfolio (less than 10% of the shares without the right to drive) | | | - |
| Other (please specify) | | | Investor |
| 8. | Return on investment term and guarantees | Payback Period (PB) | | | From the beginning of trial operation of the first oil well |
| Transfer of business management rights (yes / no) | | | Majoritarian management |
| Guaranteed fixed assets pledge (yes / no) | | | No |
| Guarantee of land pledge (yes / no) | | | No |
| Securities (finance) (yes / no) | | | No |
| Other (please specify) | | | - |
| 9. | Project Performance Indicators | Discount rate | | |  |
| Payback Period (PB) | | | 11 years |
| Discounted Payback Period (DPB) | | |  |
| Net Present Value (NPV): | | | RUB 132 million |
| Internal rate of return (IRR) | | | 24.35% |
| 10. | State support forms for the project | | | | The logistics of the project are connected with the development of the Northern Sea Route and connection to the pipeline system of the Eastern Siberia Pacific Ocean and Western Siberia. The NSR is stipulated by the state programs of the Arctic zone and a number of other federal initiatives. Creation of transport and energy infrastructure. Possible creation of Special Economic Zone on the territory. |
| 11. | Information on transport communications | Road communication (road type, coverage, extent, etc.) | | | a ground covering road, winter road, the distance from the nearest inhabited place is 150 km. |
| Railway communication (type, length, nearest station, etc.) | | | 1700 away from Nizhny Bestyakh Railway Station |
| Water communication (type, length, nearest port, etc.) | | | The subsoil plot is located 8 km from Noordwijk Bay of the Laptev Sea. The distance to Tiksi Port is 750 km. |
| Air communication (aircraft types, nearest airport) | | | Helicopter, the nearest airport is located in Saskylakh settlement |
| Telecommunications networks (telephone, internet, other) | | | No |
| 12. | Labor resources availability | The number of able-bodied / qualified population of the nearest settlement / district / RS (Y) | | | As of 01/01/2017 the population of Anabar district is 3,500 people.  The number of the able-bodied population of Sakha Republic (Yakutia) is 566,053 as of 2017. |
| 13. | Expected social and economic effect for Sakha Republic (Yakutia) | Number of jobs created: | | | Up to 1500 jobs in the period of exploitation |
| Taxes and payments volume | | |  |
| Involvement of local enterprises of Sakha Republic (whereby) | | | Maintenance services, food services |
| Creation of social infrastructure facilities | | | Construction of roads and other social facilities |
| Introduction of new technologies | | | - |
| Other | | | - |
| 14. | Additional information | Project specification: | | | Oil and gas industry, long-term investments |
| Other project participants: | | | - |
| Existing agreements and agreements within the project: | | | - |
| Other information requiring submission: | | | - |
| 15. | Passport creation date | | | | 11.01.2018 |
| 16. | Accompanying the project agency contacts | Responsible unit: | | | Investment Projects Promotion Department, Yakutia Investment Development Agency |
| Phone/ fax: | | | +7(4112)42 32 99, +7(4112)39 83 00 ext. 67 905 |
| Email: | | | [info@investyakutia.com](mailto:info@investyakutia.com)  investyakutia.com |
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