

SAKHALIN-1 ACHIEVES FIVE YEARS OF SAFE TANKER OPERATIONS

Yuzhno-Sakhalinsk, September 27, 2011 –Exxon Neftegas Limited (ENL), on behalf of the Sakhalin-1 Consortium, announces that its De-Kastri Terminal in Khabarovsk Krai, Russia, has reached a significant milestone of five years of safe tanker operations.

Tanker loading operations began in the fall of 2006. To date, 460 tankers have been safely loaded from the offshore Single Point Mooring facility. A total of 43 million tons (324 million barrels) of crude oil has been delivered to world markets.

“The Sakhalin-1 project is the pioneer of year-round tanker operations in the arctic conditions of Russia’s Far East,” says James Taylor, ENL President. “The project’s outstanding safety and operational performance is a testament to our skilled terminal staff and the successful collaboration developed with local port authorities and our Russian marine transportation contractors.”

Sakhalin-1 produced oil is transported from Sakhalin Island to De-Kastri Terminal via pipeline and then from De-Kastri Terminal by a dedicated fleet of specially designed Aframax class double-hull tankers operated by Russian-owned marine transportation company Sovcomflot. During loading operations tankers are safely guided by specially designed support vessel, the *Polar Pevek*. To ensure safe navigation during the harsh winter conditions, Sakhalin-1 relies on weather forecasting and routing support by the Arctic and Antarctic Research Institute and tanker escort by ice breaker vessels operated by FESCO.

“We are especially proud that the most significant contribution to the terminal’s success has been made by our national workforce,” Taylor adds. “De-Kastri Terminal was built with more than 80-percent Russian content; and today, 95-percent of terminal employees and contractors are Russian specialists.”

Successful implementation of the Sakhalin-1 project has provided many benefits to Russia, including more than USD \$5 billion revenues to the state budget and more than \$8.4 billion in contracts awarded to Russian contractors or joint ventures.

In recognition of its outstanding economic, environmental and social performance, the Sakhalin-1 De-Kastri Terminal received the 2009 Terminal of the Year Award by the IV International Congress of Oil Terminals.

Exxon Neftegas Limited, an affiliate of Exxon Mobil Corporation, is operator of Sakhalin-1. The Project is being implemented by an international consortium comprised of state-owned Russian oil company Rosneft acting via its affiliates RN-Astra (8.5%) and Sakhalinmorneftegas-Shelf (11.5%); the Japanese consortium SODECO (30%); Indian state-owned oil company ONGC Videsh Ltd. (20%); and ExxonMobil (30%). Total estimated resources of the fields amount to 307 billion tons (2.3 billion barrels) of oil and 485 billion cubic meters (17.1 trillion cubic feet) of natural gas.

For more details on the Sakhalin-1 Project please visit <http://www.sakhalin-1.com> or www.sakhalin-1.ru

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