

SAKHALIN-1 LAUNCHES SMALL BUSINESS SUPPORT PROGRAM IN THE ULCHI DISTRICT, KHABAROVSK KRAI

Khabarovsk, March 11, 2009 -- Small businesses in the Ulchi District of Khabarovsk Krai will soon have an easier access to loans, thanks to a US \$200 thousand micro-finance program announced today by Exxon Neftegas Limited (ENL), operator of the Sakhalin-1 Project, on behalf of the Sakhalin-1 Consortium. Implemented jointly by the Khabarovsk Krai Government's Small Business Support Foundation, Ulchi District Administration and the Sakhalin-1 Consortium, this program will become the next phase of the successful North Sakhalin Credit Program which was put into practice in the Nogliki and Okha Districts of the Sakhalin Oblast in 2004-2007. It created 100 small businesses and more than 500 local jobs in the northern districts of Sakhalin where Exxon Neftegas Limited facilities are located.

"The Sakhalin-1 project is brining and will continue to bring significant benefits to Russia," said James Taylor, ENL President. "Our objective is to help residents of Sakhalin Oblast and Khabarovsk Krai reap more of the benefits of economic development from our investments. We hope to see more local businesses among our contractors and subcontractors in the future," he added.

Sakhalin-1's oil export terminal is located in the town of De-Kastri, Ulchi District, Khabarovsk Krai. The micro-finance program will give the Krai entrepreneurs an opportunity to develop their businesses. They will not only obtain loans, but also go through special training to learn more about various aspects of business administration.

The program's most important feature is its focus on providing loans to start-up small businesses who have good business plans, but for a variety of reasons lack a credit history or the required collateral, and are unable to obtain credit from commercial banks.

The program is a good addition to significant economic and social benefits that Sakhalin-1 has been providing to Russia. These include over US\$1.6 billion in royalties and the state's share of oil & gas provided to the Russian Federation budget, US\$ 472M provided to the Sakhalin Oblast, approximately US\$5.3 billion in contracts awarded to Russian companies or joint ventures, over US\$120 million invested in Sakhalin infrastructure improvements, and 3.7 billion cubic meters of natural gas delivered to Russian Far East customers, and over US\$3.5 million of charitable contributions provided to local community.

Information for editors: Exxon Neftegas Limited, an affiliate of ExxonMobil, is the Sakhalin-1 Project Operator. Other project co-ventures are: the Japanese consortium Sakhalin Oil and Gas Development Co. Ltd. (30 percent); affiliates of the Russian state company Rosneft – RN-Astra (8.5 percent) and Sakhalinmorneftegas-Shelf (11.5 percent); and the Indian state oil company ONGC Videsh Ltd, (20 percent). Total estimated reserves of the fields are 307 million tons (2.3 billion barrels) of oil and 485 billion cubic meters (17.1 trillion cubic feet) of natural gas.

More detailed information on the Sakhalin-1 Project can be found on <http://www.sakhalin1.com> or www.sakhalin1.ru