



## **Yuzgaz B.V. discloses its beneficiaries**

**On 22 August 2017, a meeting of the working group of the PSA Interagency Commission took place. The working group was created following the decision of the Commission made on 17 August 2017 to resume the review of the request from Nadra Yuzivska and Yuzgaz B.V. to the Cabinet of Ministers of Ukraine regarding assignment of Nadra Yuzivska's participating interest in the Yuzivska PSA.**

The Director of Yuzgaz B.V. Mr Jaroslav Kinach stated: "Today, the consideration of our investment proposals by an authorized state body has finally begun as set out in the Ukrainian legislation. The commencement of the formal review gives us the opportunity to fulfill our earlier promise to disclose the beneficiaries of Yuzgaz B.V."

Yuzgaz B.V. hereby informs that the current beneficiaries of the private equity fund Emestone Energy SCSp and, respectively, Yuzgaz B.V. are Canadian citizens Mr Jaroslav Kinach and Mr Timothy M. Elliott. After obtaining the Government's approval for the assignment on the proposed terms, NAFTA a.s. (Slovakia) will become the participant in the project as its *de facto* operator and 66% shareholder of Yuzgaz B.V. Discussions are also underway with another North American oil and gas company as an investor.

At the working group meeting, Mr Jozef Levoca, E&P Director of NAFTA presented the following:

- the investors intend to carry out a large-scale and ambitious exploration program similar to the work program proposed previously by Shell;
- the program is aimed at early commencement of gas production to support the Ukrainian Government's strategy to increase Ukrainian gas production and discontinue import of gas by 2020;
- another key priority of investors is a comprehensive exploration program to identify both conventional and unconventional gas reserves within the entire Yuzivska license area.

Jaroslav Kinach hopes that all parties will be interested in a quick resumption of the implementation of this strategically important project to Ukraine.