

TO:
Societatea de Investitii Financiare Moldova SA

Registration no.11014/20.03.2020

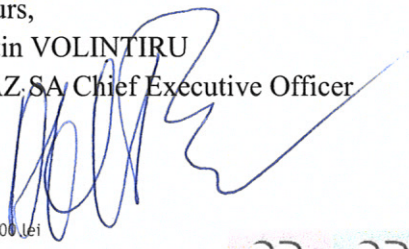
Attn: **Mr. Iancu Catalin JIANU DAN**
Deputy Director General

With respect to letter no.1224/11.03.2020 issued by Societatea de Investitii Financiare Moldova SA, as shareholder of SNGN Romgaz SA requesting for answers, we inform you on the following:

- The total amount recorded in Romgaz accounting records until 31.12.2019, related to the three blocks located in the Republik of Slovakia, is Euro 6,975,330 out of which approximately Euro 560,000 are investments in progress on 31.12.2019, the rest of the amount is recorded as costs according to SNGN Romgaz SA accounting policies. The amount related to investments in progress of Euro 560,000 is fully depreciated (provison) on 31.12.2019.
- The Operator proposed for 2020 a budget of Euro 68,000 only for the first four months of the year, Romgaz share being of Euro 22,664. The amounts represent only administrative expenses that are provided in Romgaz budget for 2020.
- Romgaz submitted for EGMS approval Report no.5845/18.02.2020 related to the withdrawal from Svidnik concession block located in the Republic of Slovakia, mentioning that the "association has on the date hereof an inventory of materials of Euro 387,000. In compliance with the JOA, the withdrawing Party shall assign its participating interest to the other parties, free of charge. In this context, Romgaz would have the obligation to assign its share of all goods owned. **However, during the Operating Committee Meeting dated July 23, 2019, the Parties discussed and the Operator proposed Romgaz to buy Alpine's share in the inventory of materials and made an offer for Alpine's 66,37% share of such inventory, which is very advantageous for Romgaz as the price is below market value. The Operator proposed a sales price of Euro 165,000 for its share in the inventory.**"

Considering that the price difference is in Romgaz benefit, that the materials are API certified, such being needed in order to be used for the construction of similar Romgaz wells, Romgaz obtained internal approvals to initiate and prepare all formalities in order to take over/purchase these materials.

Respectfully yours,
Adrian Constantin VOLINTIRU
SNGN ROMGAZ SA Chief Executive Officer



Capital social: 385.422.400 Lei
CIF: RO 14056826
Nr. Ord.reg.com/an : J32/392/2001
RO08 RNCB 0231 0195 2533 0001 - BCR Mediaș
RO12 BRDE 3305 V024 6190 3300 - BRD Mediaș



S.N.G.N. Romgaz S.A.
551130, Piața C.I. Motaș, nr.4
Mediaș, jud. Sibiu - România
Telefon: 004-0374 - 401020
Fax: 004-0269-846901
E-mail: secretariat@romgaz.ro
www.romgaz.ro