PRESS RELEASE
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LUKOIL AND SONATRACH SIGNED MEMORANDUM OF UNDERSTANDING

OAO LUKOIL and an Algerian state oil company Sonatrach signed Memorandum of Understanding today in Moscow. The Memorandum deals with issues of mutual cooperation in the area of exploration and oil-gas field development, petroleum refining.

The Memorandum was signed during the meeting of Victor Khristenko, Minister of Industry and Energy of the Russian Federation and Shakib Helil, Minister of Energy and Mines of Algeria, who is currently staying on a working visit in the Russian Federation.

The Memorandum stipulates that the Parties will contribute to mutual cooperation, while developing projects in the area of hydrocarbon search, exploration and development, refining and marketing of liquid hydrocarbon, and exchange of experience.

The signing of the Memorandum came as a final result of a series of negotiations between LUKOIL and Sonatrach, in the course of which potentials of bilateral cooperation both in Algeria and Russia and in other countries were being discussed.

People's Democratic Republic of Algeria possesses high petroleum potential and economic infrastructure, which makes it one of higher-priority countries for LUKOIL's international projects development.

At the present time, with due account for strategical importance of the North African region LUKOIL is engaged in opening its representation office in Algeria.

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