

Release

Sale of Refining and Marketing Segment's Assets

Buenos Aires, December 7, 2017. Pampa Energía S.A. ('Pampa' or the 'Company'; NYSE: PAM; BCBA: PAMP) announces that today, Pampa executed with Trafigura Ventures B.V. and Trafigura Argentina S.A. ('Trafigura') an agreement to sell a set of assets related to the refining and marketing segment of the Company, subject to the compliance of certain precedent conditions to be fulfilled within an approximate term of 3 months. The targeted assets under the transaction are as follows:

- i.** The Ricardo Eliçabe refinery, located in the city of Bahía Blanca, Province of Buenos Aires;
- ii.** The lubricants plant, situated in the district of Avellaneda, Province of Buenos Aires;
- iii.** The Caleta Paula reception and dispatch plant, located in the Province of Santa Cruz; and
- iv.** The network of gas stations currently operated under Petrobras branding.

Due to its strategic and operative utility, the Dock Sud storage facility is excluded from the sale, as well as the Company's stake in Refinería del Norte S.A.

The transaction price is US\$90 million and includes the regular working capital of the business, subject to the customary at closing adjustments. The sale includes the transfer of all the contracts, permits and licenses key for the ordinary conduction of the business, together with the more than 1,000 employees' payroll related to the assets on sale, respecting their conditions in salaries, seniority and benefits.

This sale has a strategic importance for Pampa, as it allows the Company to concentrate its efforts and resources on its core businesses. Moreover, after evaluating diverse options, it is our view that the refining and marketing of fuels requires a higher scale than the current one to achieve sustainability. Therefore, Pampa considers Trafigura, one of the major global commodity traders and operator of more than 3,000 gas stations worldwide through its industrial investment Puma Energy, has the focus and the adequate scale to boost this business, segment in which it aims to position with ambitious investment and business development plans.

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