

## PRESS RELEASE

### KMG EP receives payment of 44 bn Tenge from KMG RM

**Astana, 8 July 2016.** JSC KazMunaiGas Exploration Production (“KMG EP” or “the Company”) announces that it has received a payment of 44 bn Tenge (US\$130m<sup>1</sup>) from JSC KazMunayGas – Refining and Marketing (“KMG RM”) for crude oil that KMG EP supplied to the domestic market in 2015.

In December 2015, KMG EP and KMG RM agreed to set the price for domestic supplies for 2015 at 37,000 Tenge per tonne at both the Atyrau refinery (“ANPZ”) and Pavlodar refinery (“PNHZ”). Over the course of 2015, KMG RM made payments at an average price per annum of 21,288 Tenge per tonne at ANPZ and 31,923 Tenge per tonne at PNHZ. The 44 bn Tenge received represents the difference between the agreed price and what KMG EP actually received from KMG RM over the course of 2015.

The payment is the result of constructive cooperation between KMG EP, KMG RM and JSC “NC “KazMunayGas”.

Of the total 44 bn Tenge (US\$130m<sup>1</sup>) received, 24.4 bn Tenge (US\$72m<sup>1</sup>) will be allocated for repayment of JSC Ozenmunaigas (“OMG”) debt to KMG EP which was provided to OMG in the form of financial aid in 2015.

#### Notes to Editors

**KMG EP** is among the top three Kazakh oil producers. The overall production in 2015 was 12.4 million tonnes (251 kbopd) of crude oil, including the Company’s share in Kazgermunai, CCEL and PKI. The Company’s volume of proved and probable reserves excluding shares in the associates, at the end of 2015 was 193 million tonnes (1,409 mmbbl). The Company’s shares are listed on the Kazakhstan Stock Exchange and the GDRs are listed on The London Stock Exchange. The Company raised over US\$2bn at its IPO in September 2006.

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#### Forward-looking statements

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<sup>1</sup> Amounts were converted to US dollars solely for the convenience of the reader at 337.39 KZT/US\$ rate.

*update or revise any forward-looking statements or industry information set out in this document, whether as a result of new information, future events or otherwise. The Company does not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved.*