

PRESS - RELEASE

JSC KazMunaiGas Exploration Production announces its 2007 operating results

Astana, 22 January 2008, JSC KazMunaiGas Exploration Production (“KMG EP” or “the Company”), announced today that in the full year of 2007 the Company produced 10,639 thousand tonnes of crude oil, an average of 216.91 kbopd. This is 1,118 thousand tonnes or 11.64% more than in 2006. The increase is primarily due to the acquisitions of:

- 50% stake in JV Kazgermunai LLP (“Kazgermunai”) completed on 24 April 2007. For the 251 days between the acquisition date and 31 December 2007 the Company’s share in Kazgermunai crude oil production was 1,062 thousand tonnes (32.23kbopd);
- 50% stake in CITIC Canada Energy Limited (“CCEL”) from CITIC Group completed on 12 December 2007. For the 20 days between the acquisition date and 31 December 2007 the Company’s share in CCEL crude oil production was 48 thousand tonnes (15.88kbopd).

Excluding the Company’s share in the assets acquired last year, KMG EP’s production in 2007 was 9,530 thousand tonnes of crude oil (192.17kbopd), approximately the same level as in 2006.

Based on preliminary data, in 2007, the Company supplied 9,585 thousand tonnes of crude oil (193.28kbopd) to the customers excluding oil produced by Kazgermunai and CCEL. Out of this amount, approximately 7,354 thousand tonnes (148.29kbopd) were supplied to export markets, 9.13% more than in 2006.

In 2007, the Company’s share in the volume of Kazgermunai crude oil sales was 950 thousand tonnes of crude oil (28.86kbopd) including 819 thousand tonnes (24.85kbopd) supplied to export markets.

The CEO of the Company Askar Balzhanov said: “The significant growth achieved in 2007 demonstrates the success of our acquisition-led strategy, and also our ability to use technical expertise to maintain the production levels of our core portfolio.

“We believe that our results will continue to improve in 2008 as we will see the full-year impact of the recently acquired assets.”

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NOTES TO EDITORS

KMG EP is the 2nd largest Kazakh oil producer with over 10.6 mmt (217 kbopd) of crude oil production in 2007 including shares in production of Kazgermunai and CCEL, and 203.2 mmt (1.5bn bbl) of proved and probable

reserves at the end of 2006. The Company's shares are listed on Kazakhstan Stock Exchange and the GDRs are listed on London Stock Exchange. The Company raised approximately US\$2bn in its IPO in September of 2006.

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