

KMG EP reserves update as at 31 December 2016

Astana, 26 January 2017. JSC KazMunaiGas Exploration Production (“KMG EP” or the “Company”) announces the results of an independent audit of liquid hydrocarbon reserves at the Ozenmunaigas JSC, Embamunaigas JSC, KazGPZ LLP and Ural Oil and Gas LLP (KMG EP share - 50%) fields as at 31 December 2016. The audit was performed by independent consultant DeGolyer and MacNaughton (“D&M”).

According to the D&M report proved plus probable (2P) reserves of liquid hydrocarbons as at 31 December 2016 were 145 million tonnes (1,061 million barrels). Taking into account the amount of oil produced during 2016, the 2P reserves increased by 0.7 million tonnes (8 million barrels). The reserves replacement ratio (the ratio of the reserves increase to annual production) was 8%.

Proved (1P) reserves of liquid hydrocarbons as at 31 December 2016 were 93 million tonnes (684 million barrels), and proved, probable and possible (3P) reserves stand at 196 million tonnes (1,433 million barrels).

Liquid hydrocarbon reserves as of 31 December 2016.

	Million tonnes			Million barrels		
	1P	2P	3P	1P	2P	3P
Reserves as at 31 Dec 2015	99	152	204	723	1,115	1,491
Production	8.4	8.4	8.4	62	62	62
Reserves increase	2.5	0.7	0,1	22	8	3
Reserves as at 31 Dec 2016	93	145	196	684	1,061	1,433
Present worth at 10%, US\$m				3,053	3,560	4,011

The report does not include KMG EP’s share in reserves of JV Kazgermunai LLP, CCEL (Karazhanbasmunai) and PetroKazakhstan Inc.

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 share in Kazgermunai, CCEL (Karazhanbasmunai) and PetroKazakhstan Inc. The volume of proved and probable (2P) reserves including 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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