

/KASE, October 14, 11/ - Zhaikmunai (Oral, Kazakhstan) provided Kazakhstan Stock Exchange (KASE) with the following communication today:

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Zhaikmunai L.P.
(the “Partnership”)

GAS TREATMENT FACILITY (GTF) STATUS UPDATE

Zhaikmunai LP (LSE: ZKM), the oil and gas exploration and production enterprise based in north-western Kazakhstan is pleased to report further progress with its Gas Treatment Facility (GTF) as both GTF “Train 1” and GTF “Train 2” are now in operation.

Both trains of GTF fully functional

The Gas Treatment Facility (GTF) allows Zhaikmunai to treat gas condensate from its wells as well as associated gas from its Oil Treatment Unit (OTU) into a mix of new products, i.e. stabilised condensate, LPG and dry gas. These products complete the current crude oil offering.

The GTF is composed of two gas treatment trains (“Train 1” and “Train 2”), each with a capacity of 850 mmcm per year. Both trains are currently operational and all GTF products are on-spec.

Over recent weeks, production capacity of crude oil and GTF products (stabilised condensate, LPG and dry gas) has reached higher range values, albeit intermittently, which is characteristic of any ramp-up process. It is expected to gain in consistency as final production flow adjustments are being made. The production ramp-up process with the aim of the GTF reaching its design production levels is scheduled to continue steadily over the coming weeks.

Test production sold to offtakers

Commencement of test production through the GTF in May 2011 has enabled Zhaikmunai to gradually increase its overall production capacity. All GTF test production, including dry gas, is being sold to offtakers and this will continue throughout the ramping-up process.

Kai-Uwe Kessel, Chief Executive Officer, said:

“With both trains of the GTF now operational, Zhaikmunai’s overall production has already increased substantially and is scheduled to continue growing in the weeks ahead. We look forward to ironing out certain teething problems and to reaching GTF design production capacity in the near future.”

[Here](#) you can download the pdf-file from this press release.

Further enquiries

Zhaikmunai LP
Bruno Meere, Investor Relations Officer
investor_relations@zhaikmunai.com +44 (0) 1624 68 21 79

Pelham Bell Pottinger
Phillip Dennis
Elena Dobson +44 (0) 20 7861 3232

About Zhaikmunai

Zhaikmunai is an independent oil and gas enterprise currently engaging in the exploration and development and production of oil and gas. It is listed on the London Stock Exchange (Ticker symbol: ZKM). Its principal producing asset is the Chinarevskoye Field located in north-western Kazakhstan. Zhaikmunai L.L.P., a wholly-owned subsidiary of Zhaikmunai L.P., holds a 100% interest in and is the operator of the Production Sharing Agreement for the Chinarevskoye Field.

Forward-Looking Statements

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of the Partnership or its officers with respect to various matters. When used in this document, the words "expects," "believes," "anticipates," "plans," "may," "will," "should" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements.

unquote**[2011-10-14]**