

**Press release**

*Nur-Sultan, November 17, 2019*

**"KazTransOil" JSC announces about signing of the Agreements with "Transneft" PJSC on payment of compensation for substandard oil to 18 Kazakh oil companies**

As a part of the incident settlement related to contamination in April-May 2019 of about 699 thousand tons of crude oil shipped by 38 Kazakhstani oil companies via the "Druzhba" trunk oil pipeline system, "KazTransOil" JSC, acting on behalf of those companies, signed agreements with "Transneft" JSC to pay compensation for substandard oil to 18 more Kazakhstani oil companies.

"Work on signing agreements on compensation to Kazakhstani oil companies continues. On November 7 of this year, we signed agreements in favor of 14 Kazakhstani oil companies. Today we signed similar documents in the interests of 18 companies. Agreements in favor of the remaining 6 companies will be issued as soon as they are ready", said Dimash Dosanov, General Director of "KazTransOil" JSC.

To recap, that on April - May 2019, at emergency situation related to presence of high concentrations organochlorine compounds on transported oil in the system of trunk oil pipelines, "Transneft" JSC led the shipment substandard oil for Kazakhstani shippers to tankers in port Ust-Luga. "KazTransOil" JSC as the National Operator of the Republic of Kazakhstan on the main oil pipeline acts on behalf of 38 Kazakhstani oil companies, whose oil was contaminated in the system of Druzhba main oil pipeline, is working on the signing of compensation agreements with "Transneft" JSC.

**For your reference:**

*"KazTransOil" JSC is a National Main Oil Pipeline Operator of the Republic of Kazakhstan. The Company is a part of NC "KazMunaiGas" JSC Group. The Company owns a diversified network of main oil pipelines with total length of 5.4 thousand km. Production facilities of "KazTransOil" JSC are located in Shymkent, Karaganda, Pavlodar, Turkestan, North Kazakhstan, Atyrau, Mangistau, West Kazakhstan, Kyzylorda, Almaty, Aktobe, East Kazakhstan regions of the Republic of Kazakhstan. The Company provides oil transportation to Kazakhstani oil refineries and for export in 5 directions: by Atyrau-Samara and Kazakhstan-China pipelines, transshipment to tankers in the port of Aktau, transshipment to rail tanks, transshipment to the CPC system.*

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