PRESS RELEASE

Update on domestic supply pricing for April 2016

Astana, 26 May, 2016. JSC KazMunaiGas Exploration Production (“KMG EP” or “the Company”) announces an update on the domestic supply pricing for the month of April 2016 which is the first month that KMG EP switched to an oil processing scheme.

According to preliminary data, net revenue achieved from the sale of all refined oil products (net of all costs associated with marketing[1]) was approximately 28,000 Tenge per tonne of oil processed at Atyrau Refinery (ANPZ) and approximately 42,000 Tenge per tonne of oil processed at Pavlodar Refinery (PNHZ) for the month of April as a result of switching to the processing scheme. The higher net revenue for April was due to the improved market conditions driven by higher Brent oil prices and stronger light oil products output than expected.

As previously reported, the Company switched to an independent crude oil processing scheme for domestic supply in April 2016. Under the new framework, KMG EP supplies oil directly to ANPZ and PNHZ for processing into oil products. Under the agency agreement, these oil products are then sold via JSC “KazMunaiGas – Refining and Marketing” (KMG RM). This new processing scheme eliminates the reliance on KMG RM (having no pricing formula) to set the domestic price for KMG EP’s oil at its discretion.

Further details can be found in the Company’s presentation on the website http://www.kmgep.kz/eng/investor_relations/presentations/.

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

[1] Except cost of production and oil transportation expenses to the refineries

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