PRESS - RELEASE

KMG EP purchased a 49% share in Karpovskiy Severniy LLP

Astana, 16 June 2017. JSC KazMunaiGas Exploration Production ("KMG EP" or the "Company") announces the acquisition of a 49% share in Karpovskiy Severniy LLP (“KS”) from MOL Hungarian Oil and Gas Plc. (“MOL”) for 1 (one) US dollar.

As a result, KMG EP now owns a 100% interest in KS. All regulatory approvals have also been received. The Company exercised its priority right to purchase a share in KS in accordance with the Shareholder Agreement.

KS is a subsoil use right holder under the Contract for Exploration of Oil, Gas and Condensate at Karpovskiy Severniy contract area in the Western Kazakhstan region. The Karpovskiy Severniy block is located approximately 40 km northwest of Uralsk, in the vicinity of Fedorovskiy block and other existing discoveries.

Notes to Editors
KMG EP is among the top three Kazakh oil producers based on the 2016 results. The overall production in 2016 was 12.2 million tonnes (245 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 2016 was 182 million tonnes (1,327 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
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