

INFORMATION NOTICE

Memorandum of Understanding and Cooperation between KazMunaiGas Exploration Production and Gubkin Russian State University of Oil and Gas signed in Astana

19 June 2017, Astana. Memorandum of Understanding and Cooperation between KazMunaiGas E&P and Gubkin Russian State University of Oil and Gas (National Research University) was signed today in the Russian exhibition hall in Astana Expo-2017 by Mr Kurmangazy Iskaziyev and Mr Viktor Martynov, the rector of the Gubkin University.

The Memorandum involves the promotion of cooperation in investigating the potential for development of E&P projects. The Memorandum also considers cooperation in the implementation of the project for development of Uzen and Karamandybas fields, the integrated interpretation of 3D-MOGT seismic data in areas near the Uzen and Karamandybas fields. The parties also intend to undertake an integrated geological study of the northern side of the Caspian Depression to provide rationale for potential oil-and-gas prospects and for the choice of further exploration efforts within Fedorovsky block and North Karpovsky block.

By signing the Memorandum, the Parties express their intention to identify key areas for potential cooperation in the field of exploration and production of hydrocarbons, including the exchange of best practices and know-how. To this end, the Parties intend to hold consultations to exchange findings and investigate geological and production processes.

The Gubkin University of Oil and Gas has been actively integrated into cooperation with the KMG EP Group. For example, a program to arrange training for operational staff (talent pool, middle management, and young specialists) is being prepared according to the Memorandum of Cooperation between the Gubkin University and Cooperative KMG EP U.A.

Specifically, according to an expert survey, 115 employees from Embamunaigas and Ozenmunaigas will be trained by the Gubkin University in geology, geophysics, operations development, well servicing and workover. This academic program is designed for 2017-2018.

In addition, KMG EP together with the university will launch an educational program whereby five employees from Embamunaigas and Ozenmunaigas are currently being trained in this university on the Master of Petroleum Business. The training is full-time and job and salary-protected.

Following the signing of the Memorandum, the CEO of KMG EP Mr Kurmangazy Iskaziyev and the rector of Gubkin Russian State University of Oil and Gas Mr Viktor Martynov were given the floor. The parties pointed out mutual interests in cooperation and strong partnership relations that would benefit their common goal and, in particular, the oil and gas sector of Kazakhstan.

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.

Gubkin Russian State University of Oil and Gas was founded in 1930 by academician Ivan Gubkin and is the leading university in a system of oil and gas education of Russia. The university conducts trainings on Bachelor's Degree, Master's Degree and Postgraduate training programs, admits applicants on target areas, has pre-entry courses, Postgraduate training and PhD, and over 250 programs of continuing professional education. Nine educational Master's Programs are being jointly implemented with foreign universities. Universities and companies from Austria, France, Norway, the PRC, the USA, and Germany are among the most important foreign partners of the university. The university is constantly among the top three in terms of demand for alumni from Russian universities according to RA-Expert ranking, and in the top five Russian universities, and is ranked at 256 in the overall standing of Global World Communicator (GWC) international ranking of the top 500 universities worldwide.

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