

ANNOUNCEMENT

23 June 2017. Yesterday, in the exhibition pavilion of Italy on the premises of Expo-2017, KazMunaiGas E&P (“KMG EP”) signed a Memorandum of Understanding and Cooperation with Agip Karachanganak B.V., an affiliate of Eni SpA.

The document was signed by Mr Kurmangazy Iskaziyev, the Chief Executive Officer at KMG EP, and by Mr Antonio Vella, the Chief Upstream Officer at Eni, who was acting by virtue of the powers vested in him by power of attorney from Agip Karachanganak B.V.

By signing the document the parties have agreed to promote cooperation in hydrocarbon exploration and production. Specifically, the parties expressed their intention to set milestones for technological cooperation in exploring and producing hydrocarbons including exchange of best practices and know how. To that end, the parties are willing to hold consultations to study data of geological and operating processes.

The Memorandum calls for studying the possibility of developing joint projects. If any of such projects is identified, the parties are willing to negotiate in good faith on terms that would benefit both parties.

Another critical aspect of the document is training of KMG EP staff. Specifically, Eni SpA has arranged training courses under the training program that was designed titled “Introduction. Best Practice of Eni SpA in Exploration and Production”.

Ealier, on 5 June 2017 as part of the cooperation between KMG EP and Eni SpA, 12 employees from Ozenmunaigas completed stage one of the training program at Eni Corporate University in Milan.

Kazakh oilmen have been training for six months in such disciplines as geology and geophysics; safety; oil field development; production; drilling; completion; and well repairs. Upon complete of their training, the employees from Ozenmunaigas will undergo an on-the-job training in production facilities of Eni.

“An important clause of today’s Memorandum is our intention to continue training initiatives for the KMG EP Group with Eni SpA. This means we are planning on training other teams, but this time at our own expense”, said the Chief Executive at KMG EP Kurmangazy Iskaziyev after signing the Memorandum.

Mr Antonio Vella, the Chief Upstream Officer at Eni, expressed a great interest in a steady partnership with the Kazakh company that would suit common interests of the parties and their business.

NOTES TO EDITORS:

Eni S.p.A. is a multinational company, and is present in 70 countries. It currently has over 76,000 employees. Eni is listed on the Milan Stock Exchange and the New York Stock Exchange. Eni is focused on three key business areas: exploration and production of hydrocarbons; gas and power, and oil refining and sales. Eni S.p.A is a vertically integrated oil and gas company, and is one of the few engaged in all phases of operation including research and formulation; oil production, transportation, and refining; manufacturing of base oil and additives; blending and packaging of commercial oils.

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 152 million tonnes (1,115 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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