



PRESS RELEASE

KMG EP announces dates of the next specialised trade for the repurchase of its preferred shares on KASE

Astana, 18 May 2011. JSC KazMunaiGas Exploration Production («the Company», «KMG EP») is pleased to announce that next specialised trade for the repurchase of the Company's preferred shares will be held on KASE from 27 May till 27 June 2011.

The Company has now repurchased around 1.7 million preferred shares for an aggregate price of about 32.8 billion Tenge under the preferred shares buyback programme.

The Company will make announcements before each specialised trade, as well as announcements after each specialised trade informing of the terms and results of such trade.

The listing and the buyback programme are intended to provide preferred shareholders with greater transparency and liquidity. The majority of preferred shares are currently distributed among more than 20,000 individual shareholders, including present and former employees of KMG EP and their families.

NOTES TO EDITORS

Any preferred shareholder who wishes to sell their shares must place them on account with the Central Securities Depository on or before the time at which such shareholder makes an offer to sell the shares.

Holders of preferred shares must provide limited counter orders to sell their preferred shares. Limited counter orders must indicate a share price at which the shareholder wishes to sell their shares. This price must be denominated in tenge up to two decimal places. The amount of financial instruments specified in the order should be equal to the number of preferred shares that the shareholder wishes to sell. The order volume must be equal to the product of the amount of shares to be sold multiplied by the specified share price.

Limited orders will be accepted at the cut-off price set by the Company at the end of the specialised trade in compliance with applicable laws, regulations and Company's policies. Limited orders that specify a price equal or less than this cut-off price will be accepted and executed. Limited orders that specify a price greater than the cut-off price will not be accepted by the Company.

KMG EP is among the top three Kazakh oil and gas producers. The overall production in 2010 was 13.3mt (an average of 270kbopd) of crude oil, including the Company's share in Kazgermunai, CCEL, PKI and NBK. The total volume of proved and probable reserves, as at the end of 2010 was 232mt (1.7bn bbl), including shares in the associates - about 2.2 bn barrels. 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 in its IPO in September 2006. The International rating agency Standard & Poor's (S&P) confirmed KMG EP's "BB+" corporate credit rating in July 2010 and "GAMMA-6" rating in November 2010.

For further details please contact us at:

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