

Press release

JSC KazMunaiGas Exploration Production has signed a Sale and Purchase Agreement to Acquire a 50% stake in CITIC Canada Energy Limited

Astana, November 8, 2007. JSC KazMunaiGas Exploration Production (“KMG EP” or the “Company”) announced today that it has signed the sale and purchase agreement to acquire a 50% stake in CITIC Canada Energy Limited (“CCEL”) from CITIC Group. The sale and purchase agreement was signed at a meeting of Kazakhstan and China intergovernmental commission held in Astana on November 8, 2007 other documents related to this transaction have also been signed on the same day.

Earlier, on October 3, 2007 the Board of Directors of KMG EP has approved a series of transactions to acquire a 50% stake in CCEL. The acquisition is subject to certain regulatory approvals and is expected to be completed in early December this year.

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Notes to Editors:

KMG EP is the 3d largest Kazakh oil and gas producing company with over 9.5 mmt (192 kbopd) of crude production in 2006 and 203.2 mmt (1.5 billion bbl) of proved and probable reserves at the end of 2006. The Company’s shares are listed on Kazakhstan Stock Exchange and the GDRs are listed on London Stock Exchange. The Company raised approximately US\$2 billion in its IPO in September of 2006.

National Company KazMunaiGas represents the state’s interests in the Kazakh oil and gas industry and is involved, through its subsidiaries, in various aspects of the oil and gas business from exploration and production to transportation, refining, marketing and services. NC KMG owns approximately 61% of the ordinary shares of KMG EP.

CITIC Canada Petroleum Limited (formerly Nations Energy Company Ltd) was formed in 1996 as a private Canadian company to pursue international oil and gas E&P projects around the world. In 1997, Nations Energy acquired 94.6% of the share capital representing 100% of voting control of JSC ‘Karazhanbasmunai from the Government of Kazakhstan. JSC Karazhanbasmunai holds 100% of the mineral rights until June 2020 to develop the Karazhanbas oil and gas field in the western part of Kazakhstan which, according to the company, has proved reserves of about 55 mmt (364 million barrels) as of the end of 2006. In 2006 JSC Karazhanbasmunai produced approximately 2.3 mmt (42 kbopd) of crude oil.

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Forward-looking statements

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