

***On Closing of Acquisition of 50% Participation Interest in
JV Kazgermunai LLP***

Astana, 27 April 2007. JSC KazMunaiGas Exploration Production (KMG EP or the Company) announces the closing of the transaction to acquire a 50% participation interest in JV Kazgermunai LLP (“Kazgermunai”) from JSC NC KazMunaiGas (“NC KMG”). Following the distribution of dividends by Kazgermunai a consideration paid for the interest to NC KMG has been reduced and amounted to 118.3 bn Tenge (approximately US\$969 mln).

The acquisition was approved by the Board of Directors including all the independent non-executive directors and a majority of minority investors at an Extraordinary General Meeting held on April 12, 2007. Other required formalities have also been completed.

KMG EP separately announces that NC KMG has paid back an US\$800 mln loan granted by KMG EP in July 2006.

Additional information:

JSC KazMunaiGas Exploration Production, headquartered in Astana, is the 3rd largest Kazakh oil and gas producing company with over 9.5mmt/year (192 kbopd) of crude production in 2006. The Company extracts hydrocarbon resources from 44 oil and gas fields located in the Atyrau and Mangistau regions in western Kazakhstan and is also engaged in onshore exploration activities, concentrated in the same areas. The Company’s shares are listed on Kazakhstan Stock Exchange and the GDRs are listed in London. The Company raised approximately US\$2bn in its IPO in September of 2006.

NC KMG 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.

Kazgermunai is the 8th largest Kazakh oil and gas producing company with nearly 3mmt/year (60 kbopd) of crude oil production in 2006 and 40.7 mmt (310 mmbbl) of proved and probable reserves at the end of September 2006. PetroKazakhstan Kumkol Resources is the other shareholder in KGM. On March 5, 2007 KMG EP announced its agreement to acquire 50% stake in Kazgermunai from NC KMG for a cash consideration of 133,3 bn Tenge with possible adjustments.

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Forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “target”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They include, but are not limited to, statements regarding the Company’s intentions, beliefs and statements of current expectations concerning, amongst other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, potential acquisitions, strategies and as to the industries in which the Company operates. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur. Forward-looking statements are not guarantees of future performance and the actual results of the Company’s operations, financial condition and liquidity and the development of the country and the industries in which the Company operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. The Company does not intend, and does not assume any obligation, to update or revise any forward looking statements or industry information set out in this document, whether as a result of new information, future events or otherwise. The Company does not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved.