

**/KASE, NOVEMBER 2, 12/ - Zhaikmunai (Oral, Kazakhstan) provided Kazakhstan Stock Exchange (KASE) with the following communication today:**

**quote**

**Zhaikmunai International B.V. Announces Early Tender Results of its Offer to Purchase any and all of Zhaikmunai LLP's outstanding 10.50% Senior Notes due 2015**

Kazakhstan — November 2, 2012 — On October 19, 2012, Zhaikmunai International B.V. (the “**Offeror**”), which is a subsidiary of Zhaikmunai L.P. (LSE:ZKM) the oil and gas exploration and production enterprise with assets in north-western Kazakhstan, announced the commencement of a tender offer (the “**Tender Offer**”) to purchase for cash any and all of Zhaikmunai LLP's (the “**Issuer**”) outstanding 10.50% Senior Notes due 2015 (the “**Notes**”). The Tender Offer is being made on the terms and subject to the conditions contained in the Offer to Purchase dated October 19, 2012. Capitalized terms used but not otherwise defined in this announcement shall have the meaning given to them in the Offer to Purchase.

The Offeror is pleased to announce that, as of the Early Tender Date of 5:00 p.m., New York City time, on November 1, 2012, an aggregate principal amount of Notes of approximately U.S.\$348 million has been validly tendered pursuant to the Tender Offer. As the Withdrawal Deadline expired at 5:00 p.m., New York City time, on November 1, 2012, all Notes validly tendered prior to the Early Tender Date may no longer be withdrawn.

The Tender Offer is scheduled to expire at 5:00 p.m., New York City time, on November 19, 2012, unless extended or earlier terminated (such time and date, as the same may be extended, the “**Expiration Date**”). Subject to all conditions to the Tender Offer, including but not limited to, the New Financing Condition, having been satisfied or waived by the Offeror, Holders who have validly tendered their Notes at or prior to the Early Tender Date and whose Notes are accepted for purchase will be eligible to receive the “**Total Consideration**” of U.S.\$1,097.50 per U.S.\$1,000 principal amount of Notes.

Holders still wishing to participate in the Tender Offer must validly tender their Notes by the Expiration Date. Holders who validly tender their Notes after the Early Tender Date but prior to the Expiration Date and whose Notes are accepted for purchase will not receive the Early Tender Premium, such Holders will be eligible to receive the Tender Offer Consideration of U.S.\$1,080 per U.S.\$1,000 principal amount of Notes.

The settlement of the Tender Offer is expected to occur on November 23, 2012.

The complete terms and conditions of the Tender Offer are described in the Offer to Purchase, copies of which may be obtained by contacting Citibank N.A., London branch, Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, which is acting as the tender agent for the Tender Offer, at +44 207 508 3867. Citigroup Global Markets Limited, Merrill Lynch International and VTB Capital plc are acting as joint dealer managers for the Tender Offer (the “**Joint Dealer Managers**”). Questions regarding the terms of the Tender Offer may be directed to Citigroup Global Markets Limited, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, Attention: Liability Management Group, at (800) 558-3745 (toll-free), (212) 723-6106 (collect) or +44 (0) 20 7986 8969 (London), Merrill Lynch International, Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ, United Kingdom, Attention: Liability Management - John Cavanagh / Tommaso Gros-Pietro, at +44 207 995 3715 / +44 207 995 2324 / +1 888 292 0070 / +1 646 855 3401 and/or VTB Capital plc, 14 Cornhill London EC3V 3ND, United Kingdom, at +44 203 334 8029 (tel) / +44 203 334 8980 (fax), Attention: Global Head of Syndicate.

This press release does not constitute or form part of any offer or invitation to purchase, or any solicitation of any offer to sell, the Notes or any other securities, nor shall it or any part of it, or the fact of its release, form the basis of, or be relied on or in connection with, any contract therefor. The Tender Offer is made only by and pursuant to the terms of the Offer to Purchase and the related Letter of Transmittal and the information in this press release is qualified by reference to the Offer to Purchase and the related Letter of Transmittal. None of the Offeror, the Issuer, the Joint Dealer Managers, the trustee under the Notes or the tender and information agent makes any recommendations as to whether holders should tender their Notes pursuant to the Tender Offer.

### **Forward-Looking Statements**

This press release, the Offer to Purchase and the documents incorporated by reference into the Offer to Purchase contain certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include information with respect to the Offeror's financial condition, results of operations and businesses, strategy, plans, objectives and the expected impact of this offer on the foregoing. Words such as "anticipates", "expects", "should", "intends", "plans", "believes", "outlook", "seeks", "estimates", "targets", "may", "will", "continue", "project" and similar expressions, as well as statements in the future tense, identify forward-looking statements.

This press release contain forward-looking statements. All statements other than statements of historical facts included in this press release, including, without limitation, those which reflect our current views or, as appropriate, those of our directors, with respect to financial performance, business strategy, plans and objectives of management for future operations (including development plans relating to our business) are forward looking statements. These forward-looking statements relate to Offeror and the sectors and industries in which it operates. Statements that include the words "expects", "intends", "plans", "believes", "anticipates", "will", "targets", "may", "would", "could", "continue" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the U.S. federal securities laws or otherwise.

All forward-looking statements included in this press release involve known and unknown risks and uncertainties. Accordingly, there are or will be important factors that could cause the Group's actual results, performance or achievements to differ materially from those indicated in these statements, including, among others, the following:

- volatility and future decreases in crude oil, gas, refined products and other commodity world prices and related fluctuations in demand for such products;
- operational limitations, including equipment failures, labour disputes and processing limitations;
- unplanned events or accidents affecting the Group's operations or facilities, including the gas treatment facility;
- cancellation, delay, non-completion and cost overruns in relation to the Group's future projects;
- the availability or cost of transportation routes and traders' fees charged for arranging transportation;
- the inability of the Group to accurately predict its future decommissioning liabilities;
- the uncertainty and expense inherent in the Group's appraisal and exploration projects;

- changes in governmental laws and regulation, including unfavourable tax laws, regulatory changes affecting the availability of permits and licences, and governmental actions that may affect operations or the Group's planned expansion;
- the availability of debt and other financing;
- the ability of the Group to retain and hire qualified personnel and consultants;
- unfavourable changes in economic, social or political conditions in Kazakhstan and adverse sovereign action by the Government;
- incidents or conditions affecting the export of crude oil and gas;
- lower than estimated or expected crude oil and gas reserves, quality and production volumes; and
- reservoir performance, drilling results and implementation of the Group's oil expansion plans.

Any forward-looking statements in these materials reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Offeror's operations, results of operations, growth strategy and liquidity.

Any forward-looking statements speak only as at the date of this press release. We undertake no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

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**Further Enquires:**

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**Offer And Distribution Restrictions:**

This announcement and the Offer to Purchase do not constitute an offer to buy or the solicitation of an offer to sell the Notes in any jurisdiction in which such offer or solicitation is unlawful, and offers to sell by holders of Notes originating from any jurisdiction in which such offer or solicitation is unlawful will be rejected. In those jurisdictions where the securities laws or other laws require the Offer to Purchase to be made by a licensed broker or dealer, the Offer to Purchase shall be deemed to be made on behalf of the Offeror by one or more registered brokers or dealers licensed under the laws of such jurisdiction. Neither the delivery of this announcement or the Offer to Purchase nor any purchase of Notes shall, under any circumstances, create any implication that there has been no change in the affairs of the Offeror, Zhaikmunai LLP or the guarantors of the Notes since the date hereof, or that the information herein is correct as of any time subsequent to the date hereof.

This announcement does not constitute and shall not, in any circumstances, constitute a public offering nor an invitation to the public in connection with any offer within the meaning of the Directive

2010/73/EU of the Parliament and Council of November 4, 2003 as implemented by the Member States of the European Economic Area (the “**Prospectus Directive**”).

**Belgium.** In Belgium, neither this announcement, the Offer to Purchase nor the Tender Offer is being made, directly or indirectly, to, or for the account of, any person other than “qualified investors” within the meaning of Article 6, paragraph 3 of the Law of April 1, 2007 on public takeover bids (Loi relative aux offres publiques d’acquisition / Wet op de openbare overnamebiedingen) referring to Article 10 of the Law of June 16, 2006 on the public offering of securities and the admission of securities to trading on regulated markets (Loi relative aux offres publiques d’instruments de placement et aux admissions d’instruments de placement à la négociation sur des marchés réglementés / Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt) and the Tender Offer does not therefore constitute a public takeover bid pursuant to Article 6, paragraph 3, 2° of the Law of April 1, 2007 on public takeover bids. Accordingly, neither this announcement, the Offer to Purchase nor any other documents or materials relating to the Tender Offer have been or will be submitted for approval or recognition to the Belgian Financial Services and Markets Authority (Autorité des Services et Marchés Financiers / Autoriteit voor Financiële Diensten en Markten) and hence the Tender Offer may not be advertised and neither this announcement, the Offer to Purchase nor any other memorandum, information circular, brochure or similar document relating to the Tender Offer may be distributed or made available, directly or indirectly, to any person in Belgium other than to “qualified investors” within the meaning of Article 10 of the Belgian Law of June 16, 2006, acting for their own account. Insofar as Belgium is concerned, this announcement and the Offer to Purchase have been issued only for the personal use of qualified investors and exclusively for the purpose of the Tender Offer. Accordingly, the information contained in this announcement or the Offer to Purchase may not be used for any other purpose or disclosed to any other person in Belgium.

**France.** The Tender Offer is not being made, directly or indirectly, to the public in the Republic of France. Neither this announcement, the Offer to Purchase nor any other document or material relating to the Tender Offer has been or shall be distributed to the public in France and only qualified investors (investisseurs qualifiés), other than individuals, acting for their own account, all as defined in, and in accordance with, Articles L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier, are eligible to participate in the Tender Offer. This announcement and the Offer to Purchase have not been and will not be submitted for clearance to nor approved by the Autorité des Marchés Financiers.

**Italy.** None of the Tender Offer, this announcement, the Offer to Purchase or any other document or materials relating to the Tender Offer have been or will be submitted to the clearance procedures of the Commissione Nazionale per le Società e la Borsa (“**CONSOB**”) pursuant to Italian laws and regulations. The Tender Offer is being carried out in Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4 and article 35-bis, paragraph 7 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Holders or beneficial owners of the Notes that are resident or located in Italy may tender Notes for purchase through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with any other applicable laws and regulations or with any requirements imposed by CONSOB or any other Italian authority.

**Switzerland.** Neither this announcement, the Offer to Purchase nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange. Accordingly, the investor protection rules otherwise applicable to investors in Switzerland do not apply to the Offers. When in doubt, investors based in Switzerland are recommended to contact their legal, financial or tax adviser with respect to the Tender Offer.

**United Kingdom.** This announcement, the Offer to Purchase and any other documents or materials relating to the Tender Offer have not been approved by an authorized person for the purposes of Section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials

are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is only being distributed to and is only directed at persons who are outside the United Kingdom, or investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or within Article 43(2) of the Order, or high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, or to other persons to whom it may lawfully be communicated in accordance with the Order (all such persons together being referred to as “relevant persons”). The Tender Offer is only available to, and the Tender Offer will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

**United States.** The delivery of this announcement or the Offer to Purchase will not under any circumstances create any implication that the information contained herein or incorporated by reference herein is correct as of any time subsequent to the date hereof or, if incorporated by reference, the date such information was made publicly available or that there has been no change in the information set forth herein or incorporated by reference herein or in the affairs of the Issuer or any of the Issuer’s affiliates since the date hereof or, if incorporated by reference, the date such information was made publicly available.

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**[2012-11-02]**