

Press release*Nur-Sultan, July 22, 2019***“KazTransOil” JSC announces about the completion of the technological crude oil displacement from the territory of the Russian Federation to the territory of the Republic of Kazakhstan**

On July 21, 2019, the procedures on the return of 141,728 tons of the technological crude oil owned by "KazTransOil" JSC and located in the Omsk-Pavlodar oil trunk pipeline on the territory of the Russian Federation were completed.

The procedures were defined in the Agreement between the Government of the Republic of Kazakhstan and the Government of the Russian Federation on determination of the status of technological oil, signed by the Minister of Energy of the Republic of Kazakhstan Kanat Bozumbayev and the Minister of Energy of the Russian Federation Alexander Novak in Chelyabinsk on November 9, 2017. The Agreement was ratified by the Republic of Kazakhstan and the Russian Federation in 2018.

Under the terms of the Agreement, the procedure for the return of the technological crude oil in the amount of 62,048 tons was carried out as follows:

- 1) for crude oil located in the main oil pipeline TON-2 in the amount of 62,048 tons, ownership was recognized for "KazTransOil" JSC;
- 2) accordingly, for the part of crude oil located in the Omsk-Pavlodar main oil pipeline, in the same volume of 62,048 tons, the ownership was recognized for "Transneft" PJSC.

The remaining amount of technological crude oil – 79,680 tons, was displaced by "Transneft" PJSC and "KazTransOil" JSC and from the territory of the Russian Federation to the territory of the Republic of Kazakhstan in batches during the period from 10 to 21 July of 2019. As a result, all amount of the technological crude oil of "KazTransOil" JSC – 141,728 tons, which was in the pipeline system of "Transneft" PJSC, was returned to the pipeline system of "KazTransOil" JSC.

"KazTransOil and Transneft have completed work that lasted for more than 10 years," - said Dimash Dosanov, General Director of KazTransOil JSC. "Completion of crude oil displacement allowed "KazTransOil" JSC to legally become the owner of 141,728 tons of crude oil, the right to which was previously controversial. This oil will be used by our company in the technological process of oil transportation".

**IR Service
“KazTransOil” JSC**