

Response to share price movement

Astana, 25 July 2014. KazMunaiGas Exploration Production (“KMG EP” or the “Company”) notes the recent movement in the price of the Company’s listed securities and confirms that Independent Directors of KMG EP received a highly preliminary approach from National Company KazMunaiGas NC (“NC KMG”), its majority shareholder, about a possible offer for the ordinary shares in KMG EP it does not already own.

The approach from NC KMG is at an early stage and there can be no certainty that an offer will be made. The Independent Non-Executive Directors of the Company are in the process of appointing advisors and will consider any proposal from NC KMG in due course. In the meantime shareholders are urged to take no action.

Any offer for KMG EP would not be subject to the UK City Code on Takeovers and Mergers.

KMG EP will make a further announcement at such time as is appropriate or it is required to do so.

Notes to editors

KMG EP is among the top three Kazakh oil and gas producers. The overall production in 2013 was 12.4 million tonnes (an average of 251 kbopd) of crude oil, including the Company’s share in Kazgermunai, CCEL and PKI. The Company’s total consolidated volume of proved and probable reserves including shares in the associates, as at the end of 2013 was 200 million tonnes (1.5 bn bbl), out of which 148.8 million tonnes (1.1 bn bbl) relates to Ozenmunaigas, Embamunaigas, and UOG (Rozhkovskoye field, Fyodorovskiy block). 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.

For further details please contact us at:

KMG EP. Investor Relations (+7 7172 97 5433)

Asel Kaliyeva

e-mail: ir@kmgep.kz

HSBC. Corporate Broker to KMG EP (+44 207 991 8888)

Simon Alexander

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.