

PRESS-RELEASE

KMG EP announces preliminary operating results for the first nine months of 2009

Astana, 02 November 2009. JSC KazMunaiGas Exploration Production (“KMG EP” or “the Company”), announced today that in the first 9 months of 2009 it produced 8,644 thousand tonnes of crude oil (233.7kbopd), which includes the Company’s stakes in JV Kazgermunai LLP (“Kazgermunai”) and CCEL (“Karazhanbasmunai”). This is 266 thousand tonnes, or 3.0%, less than in the same period of 2008.

During the first 9 months of 2009 the production from the core fields of Ozenmunaigas and Embamunaigas was 6,748 thousand tonnes of oil or 182kbopd. This is 321 thousand tonnes, or 4.5%, less than for the same period last year. In the first 9 months of 2009 KMG EP’s 50% stake in production from JV Kazgermunai and Karazhanbasmunai amounted to 1,896 thousand tonnes, or 3.0% more than in the same period of 2008.

The decrease in production by 2.7% compared to 2008, including the Company’s stakes in Kazgermunai and Karazhanbasmunai, was in line with the Company’s 2009 budget.

The current decrease in production is mainly due to the output drop in the first quarter of 2009 which was caused by severe weather conditions in Western Kazakhstan in January 2009 and has not been yet fully compensated. .

In 2009 the volume of production at Uzen and Emba fields was planned at 9.14 million tonnes (184.32kbopd). In 2009 at Kazgermunai it is planned to produce 3.18 million tonnes (67kbopd) and at CCEL – 1.8 million tonnes (33kbopd).

According to preliminary data, in the 9 months of 2009 KMG EP supplied 6,786 thousand tonnes of crude oil to customers (183kbopd), excluding the share in supply from Kazgermunai and Karazhanbasmunai. Of this amount, 5,358 thousand tonnes (144kbopd) were exported (79% of sales volumes); 1,204 thousand tonnes were sold to the domestic market and 225 thousand tonnes were supplied to Atyrau refinery for processing and subsequent sale and in-house use of the refined products.

The Company’s share in the sales volumes from Kazgermunai and CCEL was 1,850 thousand tonnes of crude oil (49kbopd) in the 9 month of 2009, including 1,546 thousand tonnes (41kbopd) supplied to export markets. This represents 1.5% and 1.3% increase compared to the same period of 2008 respectively.

Notes to Editors

KMG EP is among the top three Kazakh oil and gas producers. The overall production in 2008 was 11.95mmt (an average of 240kbopd) of crude oil, including the Company's share in Kazgermunai and CCEL. The total volume of proved and probable reserves as at the end of 2008 is 241mmt (1.8bn bbl), excluding the relevant proportion of reserves at Kazgermunai and CCEL; including the share of reserves from Kazgermunai and CCEL the 2P reserves are over 2.1 bn barrels. The Company's shares are listed on Kazakhstan Stock Exchange and the GDRs are listed on London Stock Exchange. The Company raised approximately US\$2bn in its IPO in September 2006. International rating agency Standard & Poor's (S&P) confirmed the Corporate Governance Score of KMG EP at "CGS 6" and confirmed its "BB+" corporate credit rating.

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