

7% Increase in Proved Reserves of JSC KazMunaiGas Exploration Production in 2006

Astana, 27 April 2007. JSC KazMunaiGas Exploration Production (KMG EP or the Company) announces updated estimates of its oil reserves as at 31 December 2006.

According to data confirmed by an independent reservoir engineers Gaffney, Cline & Associates (GCA), the proved and probable oil reserves of the company as at 31 December 2006 were 1,495 million barrels, a similar level as the estimate from the previous year. Proved reserves have increased by 7% and stand at 685 million barrels as at 31 December 2006. Within the category ‘proved reserves’ the Company has replaced 167% of the oil produced in 2006.

The main factors underlying the growth of the proven reserves in 2006 are:

- Extension of licenses to the expiry dates of the subsoil use contracts;
- Adjustment of the expected production profiles reflecting the progress achieved in 2006 on production optimization of the existing fields; and
- Updated drilling program to 2011.

Estimates of oil reserves of KMG EP have been prepared in accordance with international standards of SPE (Society of Petroleum Engineers) and World Petroleum Congress (WPC). Reserves of the Company in all categories include 100% reserves of Uzenmunaigas and Embamunaigas production branches. The reserves do not include the recently acquired 50% interest in JV KazGerMunai LLP. The ‘proved’ reserves include only oil to be produced within time limits of the existing license agreements.

Reserves of JSC KazMunaiGas Exploration Production

	31.12.2006	31.12.2005
	million barrels	million barrels
Proved reserves	685	638
of which		
Proved Developed	93.5%	95.0%
Proved and Probable	1,495	1,515
Proved, Probable and Possible	2,119	2,212

Notes to Editors:

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 successful IPO in September of 2006.

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