

DEGOLYER AND MACNAUGHTON
5001 SPRING VALLEY ROAD
SUITE 800 EAST
DALLAS, TEXAS 75244

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SUITE 800 EAST
DALLAS, TEXAS 75244

February 9, 2016

Cooperatieve KMG EP UA
Strawinskyiaan 819, WTC, Tower A, 8 floor, 1077
XX Amsterdam, The Netherlands

Subject: Reserves, contingent resources, and prospective resources estimates as of
December 31, 2015, for various assets within various licenses within the
Republic of Kazakhstan

Gentlemen:

Pursuant to your request, we have prepared estimates as of December 31, 2015, of the extent of the proved, probable, and possible oil and condensate, natural gas liquids (NGL), and gas reserves, the estimates of the value of the proved, proved-plus-probable, and proved-plus-probable-plus-possible reserves, and the extent only of the oil and condensate and gas contingent resources of certain fields in which KazMunaiGas Exploration Production JSC (KMG EP) has represented that it owns or controls an interest either directly, or through its 95.1-percent interest in Cooperatieve KMG EP UA (Cooperatieve KMG). These subsidiary enterprises consist of AO Embamunaigas (EMG), TOO KazGPZ (KGPZ), AO Ozenmunaigas (OMG), and TOO Ural Oil and Gas (UOG). All of the fields evaluated are located in the Republic of Kazakhstan.

We have also estimated the extent and potential present worth of the oil and natural gas prospective resources of various assets within various license blocks located in the Republic of Kazakhstan in which Cooperatieve KMG has represented that it intends to acquire an ownership interest in the future.

The results presented herein are subject to the definitions, assumptions, explanations, qualifications, and conclusions contained in our "Report as of December 31, 2015 on Reserves and Revenue and Contingent Resources of Certain Fields and Licenses owned or controlled by KazMunaiGas Exploration Production JSC Republic of Kazakhstan" (the Reserves and Contingent Resources Report) and

in our “Report as of December 31, 2015 on the Prospective Resources and Potential Revenue attributable to Various Prospects owned or controlled by KazMunaiGas Exploration Production JSC in Various License Blocks Republic of Kazakhstan” (the Prospective Resources Report). It should be noted that, without reference to the Reserves and Contingent Resources Report and the Prospective Resources Report, the information presented herein is susceptible to being misunderstood and should be used with caution.

Reserves estimated herein are expressed as net oil and condensate, NGL, and gas reserves. The estimated net proved, probable, and possible oil and condensate, NGL, and gas reserves, as of December 31, 2015, as presented in the Reserves and Contingent Resources Report are summarized as follows, expressed in English units in thousands of barrels (10^3 bbl) and millions of cubic feet (10^6 ft³) and in metric units in thousands of metric tons (10^3 mt) and millions of cubic meters (10^6 m³):

Reserves Category	Net Reserves					
	English Units			Metric Units		
	Oil and Condensate (10^3 bbl)	NGL (10^3 bbl)	Sales Gas (10^6 ft ³)	Oil and Condensate (10^3 mt)	NGL (10^3 mt)	Sales Gas (10^6 m ³)
Proved Developed	650,928	7,163	239,237	90,025	607	6,775
Proved Undeveloped	55,943	9,464	242,757	7,325	802	6,874
Total Proved	706,871	16,627	481,994	97,350	1,409	13,649
Probable	386,188	5,172	219,402	53,172	438	6,213
Possible	373,465	2,974	146,575	51,454	252	4,149

Notes:

1. Probable and possible reserves have not been risk adjusted to make them comparable to proved reserves.
2. KMG EP has represented that it owns 47.55-percent interest and controls 50 percent of the management of the UOG subsidiary. Estimated reserves attributable to these interests, including the 2.45-percent interest not owned by KMG EP, are included herein as net reserves.

Contingent resources estimated in this letter are reported as net oil and condensate and gas contingent resources. The net oil and condensate and sales gas contingent resources estimated herein cannot be classified as reserves. The net oil and condensate and sales gas contingent resources estimates presented herein are provided as a means of comparison to other contingent resources and do not provide a direct comparison to reserves. The estimated net 1C, 2C, and 3C contingent resources, as of December 31, 2015, as presented in the Reserves and Contingent Resources Report are summarized as follows:

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	Net Contingent Resources		
	English Units		
	1C	2C	3C
Marginal			
Oil and Condensate, 10 ³ bbl	30,178	85,543	127,900
Sales Gas, 10 ⁶ ft ³	155,668	332,381	376,948
Sub-Marginal			
Oil and Condensate, 10 ³ bbl	5,228	7,489	61,172
Sales Gas, 10 ⁶ ft ³	18,576	133,454	204,966
Total			
Oil and Condensate, 10³bbl	35,406	93,032	189,072
Sales Gas, 10⁶ft³	174,244	465,835	581,914
	Metric Units		
	1C	2C	3C
Marginal			
Oil and Condensate, 10 ³ mt	4,085	11,674	17,583
Sales Gas, 10 ⁶ m ³	4,408	9,412	10,674
Sub-Marginal			
Oil and Condensate, 10 ³ mt	707	971	8,319
Sales Gas, 10 ⁶ m ³	526	3,779	5,804
Total			
Oil and Condensate, 10³mt	4,792	12,645	25,902
Sales Gas, 10⁶m³	4,934	13,191	16,478

Notes

1. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.
2. There is no certainty that it will be commercially viable to produce any portion of the contingent resources evaluated herein.
3. Contingent resources with an economic status of Undetermined are estimated to be zero.

The estimated KMG EP future net revenue and present worth to be derived from the production and sale of the estimated net proved, proved-plus-probable, and proved-plus-probable-plus-possible reserves, as of December 31, 2015, as presented in the Reserves and Contingent Resources Report are summarized as follows, expressed in thousands of United States dollars (10³U.S.\$).

Reserves Category	KMG EP	
	Future Net Revenue (10³U.S.\$)	Present Worth at 10 Percent (10³U.S.\$)
Proved Developed	6,011,364	2,393,990
Proved Undeveloped	590,136	141,269
Total Proved	6,601,500	2,535,259
Proved plus Probable	9,383,253	2,848,643
Proved plus Probable plus Possible	13,625,765	3,395,088

Note: Values for probable and possible reserves have not been risk adjusted to make them comparable to values for proved reserves.

Prospective resources in 61 prospects have been evaluated in various license blocks in the Republic of Kazakhstan. The prospective resources estimates presented below are based on the statistical aggregation method. Estimates of the gross oil, condensate, and sales gas prospective resources, as of December 31, 2015, as presented in the Prospective Resources Report are summarized as follows, expressed in English units in thousands of barrels (10³bbl) and millions of cubic feet (10⁶ft³) and in metric units in thousands of metric tons (10³mt) and millions of cubic meters (10⁶m³):

	Gross			
	Low Estimate	Best Estimate	High Estimate	Mean Estimate
English Units				
Oil Prospective Resources, 10 ³ bbl	574,568	1,070,273	1,605,703	1,099,747
Sales Gas Prospective Resources, 10 ⁶ ft ³	564,694	911,762	1,228,052	981,991
Condensate Prospective Resources, 10 ³ bbl	44,364	80,429	125,134	84,902
Metric Units				
Oil Prospective Resources, 10 ³ mt	78,708	146,613	219,959	150,650
Sales Gas Prospective Resources, 10 ⁶ m ³	15,990	25,818	34,774	27,807
Condensate Prospective Resources, 10 ³ mt	5,377	9,749	15,168	10,291

1. Low, best, high, and mean estimates in this table are P₉₀, P₅₀, P₁₀, and mean, respectively.
2. P_g and P_e have not been applied to the volumes in this table.
3. Application of any geological or economic chance factor does not equate prospective resources with contingent resources or reserves.
4. Recovery efficiency is applied to prospective resources in this table.
5. The prospective resources presented above are based on the statistical aggregation method.
6. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

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The following table summarizes the KMG EP potential present worth at 10 percent that might be realized from the production and sale of the truncated, TEFS-adjusted, P_e-adjusted oil and sales gas prospective resources of the various prospects evaluated in the Prospective Resources Report, using the potential present worth at 10 percent per prospective resources quantity methodology, as of December 31, 2015, expressed in thousands of United States dollars (10³U.S.\$):

	KMG EP Potential Present Worth at 10 Percent			
	Low Estimate (10³U.S.\$)	Best Estimate (10³U.S.\$)	High Estimate (10³U.S.\$)	Mean Estimate (10³U.S.\$)
Truncated, TEFS-Adjusted, P _e -Adjusted Oil Prospective Resources	631,103	779,052	961,686	789,644
Truncated, TEFS-Adjusted, P _e -Adjusted Sales Gas Prospective Resources	-	-	-	-

Notes:

1. Low, best, high, and mean estimates in this table are P₉₀, P₅₀, P₁₀, and mean, respectively.
2. Estimates of potential present worth at 10 percent for prospective resources are not comparable to present worth estimates of contingent resources or reserves.
3. Estimates of potential present worth at 10 percent for prospective resources do not consider adjustments for political and/or environmental uncertainties.
4. Estimates of the potential present worth at 10 percent for prospective resources presented above are based on the statistical aggregation method.
5. A possibility exists that the prospects will not result in successful discovery and development, in which case there would be no potential present worth at 10 percent.
6. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.
7. Prospects designated with a hyphen (-) were estimated to yield a negative potential present worth at 10 percent and were not included at the request of Cooperatieve KMG.
8. KMG EP has represented that it owns 47.55-percent interest and controls 50 percent of the management of the UOG subsidiary. The estimated KMG EP potential present worth at 10 percent attributable to these interests, including the 2.45-percent interest not owned by KMG EP, are included herein as net KMG EP potential present worth at 10 percent.

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Information used in the preparation of this letter was obtained from KMG EP. In the preparation of this letter we have relied, without independent verification, upon information furnished by KMG EP with respect to ownership, production, and various other information and data that were accepted as represented. A field examination of the properties was not considered necessary for the purposes of this letter.

Submitted,



DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716



Gary L. McKenzie, P.E.
Senior Vice President
DeGolyer and MacNaughton