

Press release

Astana, December 13, 2013

"KazTransOil" announces the commissioning of two new oil pumping stations of "Atasu – Alashankou" oil pipeline

"KazTransOil" JSC announces that on December 13-14, 2013, "Kazakhstan-China Pipeline" LLP will start operation of new oil pumping stations #8 and #10 of "Atasu - Alashankou" oil pipeline. New facilities will allow to increase the capacity of "Atasu - Alashankou" pipeline up to 20 million tons per year.

Construction of two new oil pumping station was carried out in the framework of the second stage of the second phase of "Kazakhstan-China" oil pipeline system construction. The construction was carried out at the expense of "Kazakhstan - China Pipeline" LLP. CAPEX for OPS#8 made KZT 9.3 billion, for OPS #10 - KZT 11.6 billion (VAT excluded for both).

New oil pumping stations are equipped with the system of automated remote monitoring and control (SCADA), commercial electricity metering (AMR), fire and gas alarms. Full range of technological, administrative and residential buildings and facilities meet modern requirements of the organization of labor, production and environmental safety. The new facilities provide 124 new permanent jobs. Part of the staff was recruited from the local community and they have already undergone the necessary training.

"Atasu - Alashankou" oil pipeline is a part of the system of oil pipelines "Kazakhstan – China". The owner of "Atasu - Alashankou" oil pipeline is "Kazakhstan-China Pipeline" LLP – a JV between "KazTransOil" and CNOOC.

Since the launch in 2006 and till the end of 2012 the volume of oil transported by "Atasu - Alashankou" oil pipeline totaled 52.1 million tons. During 11 months of 2013 the volume of oil transported by "Atasu - Alashankou" oil pipeline totaled 10.9 million tons.

IR Service**"KazTransOil" JSC**