4 May 2020, Nur-Sultan, Kazakhstan

Kazatomprom 1Q20 Operations and Trading Update

JSC National Atomic Company "Kazatomprom" ("Kazatomprom", "KAP" or "the Company") announces the following operations and trading update for the first quarter ended 31 March 2020.

This update provides a summary of recent developments in the uranium industry, as well as provisional information related to the Company's key first quarter operating and trading results and a 2020 guidance update. The information contained in this Operations and Trading Update may be subject to change.

Market Overview

The COVID-19 pandemic has had a significant impact on the activities of every business, across every industry throughout the world. The number of cases continues to increase and in order to slow the spread, companies have been implementing stricter hygiene procedures, mandatory social distancing, and remote working practices. Many governments are imposing restrictions on the movement of people, with regional and nationwide lockdowns.

In April, Kazatomprom announced actions to reduce the risk of a localized mine site or community COVID-19 outbreak, by reducing the number of staff on site to minimum possible levels. To abide by travel restrictions and lockdown requirements imposed by the government of Kazakhstan, a portion of the workforce returned home with payout according to Kazakhstan labour laws, while those remaining will keep the sites operating with strict social distancing and hygiene practices, and pay according to Kazakhstan labour laws. The Company expects to keep the measures in place for about three months, resulting in a lower level of wellfield development activity and, in consequence, a reduction in production volumes.

In March, just prior to the Kazatomprom announcement, Cameco Corporation and Orano Canada announced the temporary suspension of the Cigar Lake uranium mine and McClean Lake mill in northern Saskatchewan, Canada. The largest single uranium mining complex in the world was placed in safe care and maintenance mode due to the threat of COVID-19 spreading at the site and in local communities. The initial four-week suspension was subsequently extended for an indeterminate period, until a safe, sustainable restart is possible. Cameco also later announced a four-week shutdown of the Port Hope Conversion Facility and Blind River Refinery in Ontario, Canada, due to the increasing challenge of maintaining an adequate workforce.

Several African nations, including the governments of South Africa and Namibia, imposed lockdowns and restrictive measures to contain COVID-19, which resulted in reduced mining operations for most commodities during the period, including uranium mines.

In total, the mine curtailments and suspensions related to COVID-19 (announced to date) are expected to push the supply-demand balance to an annual deficit for 2020. Third-party estimates indicate primary uranium supply could decrease by more than 10% compared to 2019, which was a year when supply-demand was generally in balance.

On the demand side, nuclear power plants are managing through the pandemic and continuing to supply vital baseload electricity to critical health care, business and transportation infrastructure around the world. The impact has therefore been modest, with overall reduced electricity demand due to restrictions and lockdowns resulting in extended refueling and maintenance outages at several nuclear power plants. In the Czech Republic, the outage for Unit 3 at CEZ's Dukovany nuclear power plant was extended until early May, while in Sweden, the outage of Vattenfall's Unit 1 at the Ringhals nuclear power plant was prolonged to September (initially ending in April), though the Unit 1 reactor is scheduled to permanently shut down by the end of 2020. In South Africa, following a significant drop in electricity usage caused by the lockdown, Eskom took Unit 2 at the Koeberg nuclear power plant offline until the end of April. Importantly, China's Ministry of Ecology and Environment reported that the coronavirus outbreak has had no impact on Chinese nuclear power plant construction schedules in the near term, and reactors already in operation have not been affected.

Outside of the events unfolding related to COVID-19, there were a number of noteworthy demand and policy developments in the nuclear sector during the first quarter. EDF confirmed in February that it has permanently shut down Unit 1 at the Fessenheim nuclear power plant in France, marking the first French reactor shut down under a policy to reduce the share of atomic power in the French energy mix. In March, Kyushu Electric Power Company in Japan suspended operation of Unit 1 at the Sendai nuclear power plant through 2020, in order to complete construction of antiterror facilities and comply with Japan's Nuclear Regulation Authority requirements.

On a more positive demand note, Nawah Energy Company announced that the United Arab Emirates' Federal Authority for Nuclear Regulation issued a 60-year operating license for Unit 1 at the Barakah nuclear energy plant, which consists of four APR-1400 nuclear reactors. In Russia, Rostechnadzor issued a new license to operate Unit 1 of Rostov nuclear power plant, valid through 2031. Rostechnadzor also renewed the license for Unit 3 of the Beloyarsk nuclear power plant for five additional years, so refurbishment work can be completed prior to seeking a life extension until 2040. In the US, the Nuclear Regulatory Commission renewed licenses for Peach Bottom Units 2 and 3, extending the operation of Unit 2 until 2053, and Unit 3 until 2054, a total of 80 years each.

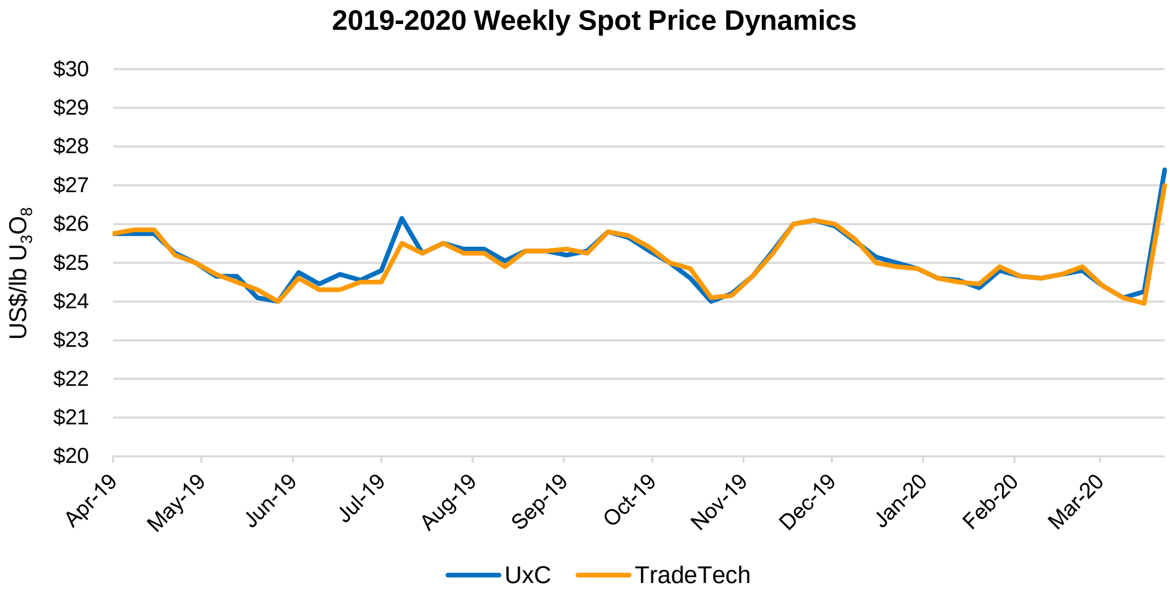
On the policy front, the US Nuclear Fuel Working Group (NFWG), which was created by the US President following the Section 232 investigation in July 2019, released its recommendations with a strategy for "Restoring America's Competitive Nuclear Energy Advantage". The strategy calls for policy actions to enhance the positive attributes of nuclear power, restore the viability of the front-end of the nuclear fuel cycle within the US, strengthen US technology supremacy, and empower US export competitiveness. The proposed actions include limiting Russian enriched uranium supplies into US by extending the Russian Suspension Agreement, and denying imports of nuclear fuel fabricated in Russia or China. To support the front end of the cycle, the US Administration has requested $150 million in funding for 2021 in order to establish a federal uranium reserve, in support of US uranium producers. US policymakers indicated that the reserve of about 17 to 19 million pounds of U_3O_8 would provide a backup supply of uranium for US nuclear utilities, in the event of a significant market disruption. The uranium purchasing program is planned to run for ten years, which appears to follow the NFWG recommendations.

Also in the US, sanction waivers related to Iran's civilian nuclear program were extended for 60 days, expiring in late May, allowing Russian, Chinese and European companies to continue their work at some Iranian nuclear sites.

Spot Market

There was a modest level of spot market activity in the first quarter, clearly impacted by the initial effects of COVID-19 on travel and day-to-day business operations. As a result, the spot price decreased in March, falling to US$24.00 amid the general decline in global economic activity. However, after several production-related announcements were made near month-end, the spot price ended the quarter above US$27.00, driven by near- and mid-term security of supply uncertainty. Following Kazatomprom's notable announcement that its focus on protecting people and reducing staff at its operations is expected to have an impact on 2020 production in Kazakhstan, the spot price rose further, reaching US$33.00 by the end of April.

According to third-party market data, spot volumes transacted over the first three months of 2020 were slightly higher than the same period last year, with about 6,700 tU (17.4 million pounds U_3O_8) transacted at an average weekly spot price of US$24.76 per pound compared to 6,300 tU (about 16.3 million pounds U_3O_8) with an average weekly spot price of US$28.11 per pound in the first quarter of 2019.



Long-term Market

In the long-term market, third-party data indicated that contracted volumes amounted to about 7,300 tU (nearly 19 million pounds U_3O_8) through the first quarter of 2020 compared to 5,400 tU (about 14 million pounds U_3O_8) in the first quarter of 2019. Term market activity increased near the end of the quarter, although it had little impact on the long-term price (reported only on a monthly basis by third-party sources).

Kazatomprom's 2020 First Quarter Operational Results[1]

(tU as U_3O_8 unless noted)	Three months Ended March 31 2019	2020	Change
Production volume (100% basis)[2]	5,294	5,221	(1)%
Production volume (attributable basis)[3]	3,063	2,981	(3)%
Group sales volume[4]	1,645	1,754	7%
KAP sales volume (incl. in Group)[5]	1,465	1,518	4%
KAP average realized price (USD/lb U_3O_8)[6*]	26.78	26.43	(1)%
Average month-end spot price (USD/lb U_3O_8)[7*]	27.41	25.59	(7)%

[1] All values are preliminary.
[2] Production volume (100% basis): Amounts represent the entirety of production of an entity in which the Company has an interest; it therefore disregards the fact that some portion of that production may be attributable to the Group's joint venture partners or other third party shareholders. Actual drummed production volumes remain subject to converter adjustments and adjustments for in-process material.
[3] Production volume (attributable basis): Amounts represent the portion of production of an entity in which the Company has an interest, which corresponds only to the size of such interest; it therefore excludes the remaining portion attributable to the JV partners or other third party shareholders, except for production from JV "Inkai" LLP. The Company anticipates that the annual share of production in JV "Inkai" LLP in 2020 will be approximately 1,066 tU. Actual drummed production volumes remain subject to converter adjustments and adjustments for in-process material.
[4] Group sales volume: includes Kazatomprom's sales and those of its consolidated subsidiaries (companies that KAP controls by having (i) the power to direct their relevant activities that significantly affect their returns, (ii) exposure, or rights, to variable returns from its involvement with these entities, and (iii) the ability to use its power over these entities to affect the amount of the Group's returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether KAP has power to control another entity).
[5] KAP sales volume (incl. in Group): includes only the total external sales of KAP HQ and Trade House KazakAtom AG (THK). Intercompany transactions between KAP HQ and THK are not included.
[6] KAP average realized price: the weighted average price per pound for the total external sales of KAP HQ and THK. The pricing of intercompany transactions between KAP HQ and THK are not included.
[7] Source: UxC, TradeTech. Amounts provided represent the average of the uranium spot prices quoted at month end, and not the average of each weekly quoted spot price. Contract price terms generally refer to a month-end price.
* Note that the conversion of kgU to pounds U_3O_8 is 2.5998.

Production on both an attributable and on a 100% basis were a little lower in the first quarter of 2020 compared to the same period in 2019. The minor decrease in attributable production was mainly due to a smaller share of production from JV Inkai in 2020, as was disclosed in the 2019 Operating and Financial Review.

First quarter Group and KAP sales volumes were slightly higher in 2020 than in 2019, primarily due to the timing of customer-scheduled deliveries. Sales volumes can vary substantially each quarter, and quarterly sales volumes vary year to year due to variable timing of customer delivery requests during the year, and physical delivery activity.

The average realized price for the quarter was slightly lower in the first quarter of 2020, due to a lower uranium spot price, compared to the same period in 2019. The Company's contract portfolio is closely correlated to current uranium spot prices.

Restructuring Update

In May 2019, Kazatomprom announced that it had entered into a conditional agreement ("the Agreement") to sell a consolidated package of solar-energy-focused subsidiary companies ("KazPV project", including Astana Solar LLP, Kazakhstan Solar Silicon LLP and KazSilicon MC LLP) to a consortium including Russian, French and Chinese buyers. The potential value of the sale was not disclosed, as it was not material. In the first quarter of 2020, the Company determined that the Agreement did not enter into force due to non-compliance with some of the stipulated conditions. Kazatomprom has therefore terminated relations with the potential buyers within the Agreement, and it now intends to continue the sale of the KazPV project enterprises in 2020, as part of the privatization program of the Republic of Kazakhstan.

Fuel assembly plant update

The ongoing global situation and the spread of COVID-19 has negatively impacted the construction schedule for the Company's nuclear fuel assembly plant in Kazakhstan. Lockdowns and travel restrictions imposed by many countries, including Kazakhstan, prevented equipment suppliers in France, USA and China from sending the required specialists for the installation and calibration of the equipment. As a result, the planned completion and commissioning schedule for the plant will be affected and a new timeline will be disclosed once it is known.

Kazatomprom's 2020 Guidance Update

(exchange rate 450 KZT/1USD)	**2020**
Production volume U_3O_8 (tU) (100% basis)[1]	19,000 – 19,500[2]
Production volume U_3O_8 (tU) (attributable basis)[3]	10,500 – 10 800[2]
Group sales volume (tU) (consolidated)[4]	15,500 – 16,500
Incl. KAP sales volume (incl. in Group) (tU)[5]	13,500 – 14,500
Revenue - consolidated (KZT billions)[6]	580 – 600
Revenue from Group U_3O_8 sales, (KZT billions)[6]	460 – 510
C1 cash cost (attributable basis) (USD/lb)*	$10.00 - $11.00
All-in sustaining cash cost (attributable C1 + capital cost) (USD/lb)*	$13.00 - $14.00
Total capital expenditures (KZT billions) (100% basis)[7]	65 - 75

[1] Production volume (100% basis): Amounts represent the entirety of production of an entity in which the Company has an interest; it disregards that some portion of production may be attributable to the Group's JV partners or other third-party shareholders.
[2] The duration and full impact of the COVID-19 pandemic is not yet known. However, for the purposes of this guidance, it is assumed that a reduced staff level at the operations will remain in place for a period of three months. Annual production volumes could therefore vary from our expectations, depending on the actual impact.
[3] Production volume (attributable basis): Amounts represent the portion of production of an entity in which the Company has an interest, corresponding only to the size of such interest; it excludes the portion attributable to the JV partners or other third-party shareholders, except for JV "Inkai" LLP.The Company anticipates that the annual share of production in JV "Inkai" LLP in 2020 will be approximately 1,066 tU. Actual drummed production volumes remain subject to converter adjustments and adjustments for in-process material.
[4] Group sales volume: includes Kazatomprom's sales and those of its consolidated subsidiaries (companies that KAP controls by having (i) the power to direct their relevant activities that significantly affect their returns, (ii) exposure, or rights, to variable returns from its involvement with these entities, and (iii) the ability to use its power over these entities to affect the amount of the Group's returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether KAP has power to control another entity)
[5] KAP sales volume: includes only the total external sales of KAP HQ and THK. Intercompany transactions between KAP HQ and THK are not included.
[6] Revenue expectations are based on uranium prices taken at a single point in time from third-party sources. The prices used do not reflect any internal estimate from Kazatomprom, and 2020 revenue could be materially impacted by how actual uranium prices vary from the third-party estimates.
[7] Total capital expenditures (100% basis): includes only capital expenditures of the mining entities.

* Note that the conversion of kgU to pounds U_3O_8 is 2.5998.

As was disclosed on 7 April 2020, due to the impact of COVID-19, the Company now expects 2020 production volume to be between 19,000 tU and 19,500 tU (100% basis), previously 22,750 tU to 22,800 tU (100% basis). Attributable production is expected to be between 10,500 tU and 10,800 tU (previously 12,800 tU to 13,300 tU attributable). There are no plans to make up the lost production; Kazatomprom remains committed to its market-centric strategy and in 2021, production is expected to remain 20% below subsoil use agreement levels (as previously disclosed). The reduced production level is not expected to impact the Company's 2020 sales obligations, which implies the fulfillment of all the contractual commitments to customers.

Sales volume in 2020 is also aligned with the Company's market-centric strategy. The Group expects to sell between 15,500 tU and 16,500 tU, which includes KAP sales volumes between 13,500 tU and 14,500 tU, consistent with sales volumes in 2019. Sales in excess of planned attributable production are expected to be primarily sourced from inventories, from KAP subsidiaries under contracts and agreements with partners, and from other third parties.

Revenue, C1 cash cost (attributable basis) and All-in Sustaining cash cost (attributable C1 + capital cost) may vary from the guidance provided above if the KZT to USD exchange rate differs from the updated 2020 budget assumption of 450 KZT / 1 USD (previously 390 KZT / 1 USD).

The Company continues to target an ongoing inventory level of approximately six to seven months of annual attributable production (excluding trading volumes held by THK). However, the market is being constantly monitored and, in alignment with its value strategy, Kazatomprom may carry an inventory level outside of the target range (higher or lower) at any point in time based on seasonality, and to optimise mining and sales volumes in line with changing market conditions. In 2020, with lower production due to the impact of COVID-19, the Company is prepared to manage its supply with an inventory level below the target range.

For further information, please contact:

Kazatomprom Investor Relations Inquiries

Cory Kos, Director of Investor and Public Relations
Tel: +7 (8) 7172 45 81 80

Email: ir@kazatomprom.kz

Kazatomprom Public Relations and Media Inquiries

Torgyn Mukayeva, Deputy Director of Investor and Public Relations
Tel: +7 (8) 7172 45 80 63

Email: pr@kazatomprom.kz

A copy of this announcement will be made available at www.kazatomprom.kz.

About Kazatomprom

Kazatomprom is the world's largest producer of uranium, with the company's attributable production representing approximately 24% of global primary uranium production in 2019. The Group benefits from the largest reserve base in the industry and operates, through its subsidiaries, JVs and Associates, 24 deposits grouped into 13 mining assets. All of the Company's mining operations are located in Kazakhstan and mined using ISR technology with a focus on maintaining industry-leading health, safety and environment standards.

Kazatomprom securities are listed on the London Stock Exchange and Astana International Exchange. As the national atomic company in the Republic of Kazakhstan, the Group's primary customers are operators of nuclear generation capacity, and the principal export markets for the Group's products are China, South and Eastern Asia, Europe and North America. The Group sells uranium and uranium products under long-term contracts, short-term contracts, as well as in the spot market, directly from its headquarters in Nur-Sultan, Kazakhstan, and through its Switzerland-based trading subsidiary, Trade House KazakAtom AG (THK).For more information, please see our website at http://www.kazatomprom.kz

Forward-looking statements

All statements other than statements of historical fact included in this communication or document are forward-looking statements. Forward-looking statements give the Company's current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the Company's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future. THE INFORMATION WITH RESPECT TO ANY PROJECTIONS PRESENTED HEREIN IS BASED ON A NUMBER OF ASSUMPTIONS ABOUT FUTURE EVENTS AND IS SUBJECT TO SIGNIFICANT ECONOMIC AND COMPETITIVE UNCERTAINTY AND OTHER CONTINGENCIES, NONE OF WHICH CAN BE PREDICTED WITH ANY CERTAINTY AND SOME OF WHICH ARE BEYOND THE CONTROL OF THE COMPANY. THERE CAN BE NO ASSURANCES THAT THE PROJECTIONS WILL BE REALISED, AND ACTUAL RESULTS MAY BE HIGHER OR LOWER THAN THOSE INDICATED. NONE OF THE COMPANY NOR ITS SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, ADVISORS OR AFFILIATES, OR ANY REPRESENTATIVES OR AFFILIATES OF THE FOREGOING, ASSUMES RESPONSIBILITY FOR THE ACCURACY OF THE PROJECTIONS PRESENTED HEREIN. The information contained in this communication or document, including but not limited to forward-looking statements, applies only as of the date hereof and is not intended to give any assurances as to future results. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to such information, including any financial data or forward-looking statements, and will not publicly release any revisions it may make to the Information that may result from any change in the Company's expectations, any change in events, conditions or circumstances on which these forward-looking statements are based, or other events or circumstances arising after the date hereof.