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Zhaikmunai successfully places US\$450 million bond due 2015

DOUGLAS – 14 October, 2010 - Zhaikmunai LP (LSE: ZKM) ("Zhaikmunai"), the oil and gas exploration, development and production business based in northwestern Kazakhstan, today announces that its subsidiary Zhaikmunai Finance BV has successfully priced a US\$450 million senior bond with an October 19th, 2015 maturity and a fixed coupon of 10.50% per annum. Proceeds from the bond issue will be used to re-finance existing debt, lengthening the company's debt maturity profile, and for general corporate purposes.

Citibank, ING and J.P. Morgan acted as Joint Lead Bookrunning Managers. In connection with the offering, which is due to settle in the next few days, the notes have received preliminary ratings of B from S&P and B3 from Moody's.

Application has been made for the notes to be admitted to trading on the Euro MTF market and to list on the Official List of the Luxembourg Stock Exchange, in accordance with the rules and regulations of such exchange.

Jan-Ru Muller, Chief Financial Officer of Zhaikmunai said:

"The improved market conditions allowed us to successfully extend the maturity profile of our debt at attractive terms and to refinance our US\$382 million secured syndicated loan. In addition, this further increases our flexibility and at the same time strengthens our financial position. The strong demand for the bond provides further evidence that a broad range of investors recognize the long-term strength of Zhaikmunai and the progress it has made in recent months."

For further information please visit <u>www.zhaikmunai.com</u>.

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Further enquiries

Zhaikmunai LP Bert Jordens, Investor Relations Officer jordens@zhaikmunai.com

+44 (0) 1624 68 21 79

About Zhaikmunai

Zhaikmunai is an independent oil and gas enterprise currently engaging in the exploration and development and production of oil and gas. It is listed on the London Stock Exchange (Ticker symbol: ZKM). Its principal producing asset is the Chinarevskoye Field located in northwestern Kazakhstan. Zhaikmunai L.L.P., a wholly-owned subsidiary of Zhaikmunai L.P., holds a 100% interest in and is the operator of the Production Sharing Agreement for the Chinarevskoye Field.

Forward-Looking Statements

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of the Partnership or its officers with respect to various matters. When used in this document, the words "expects," "believes," "anticipates," "plans," "may," "will," "should" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements.