

# Exploration

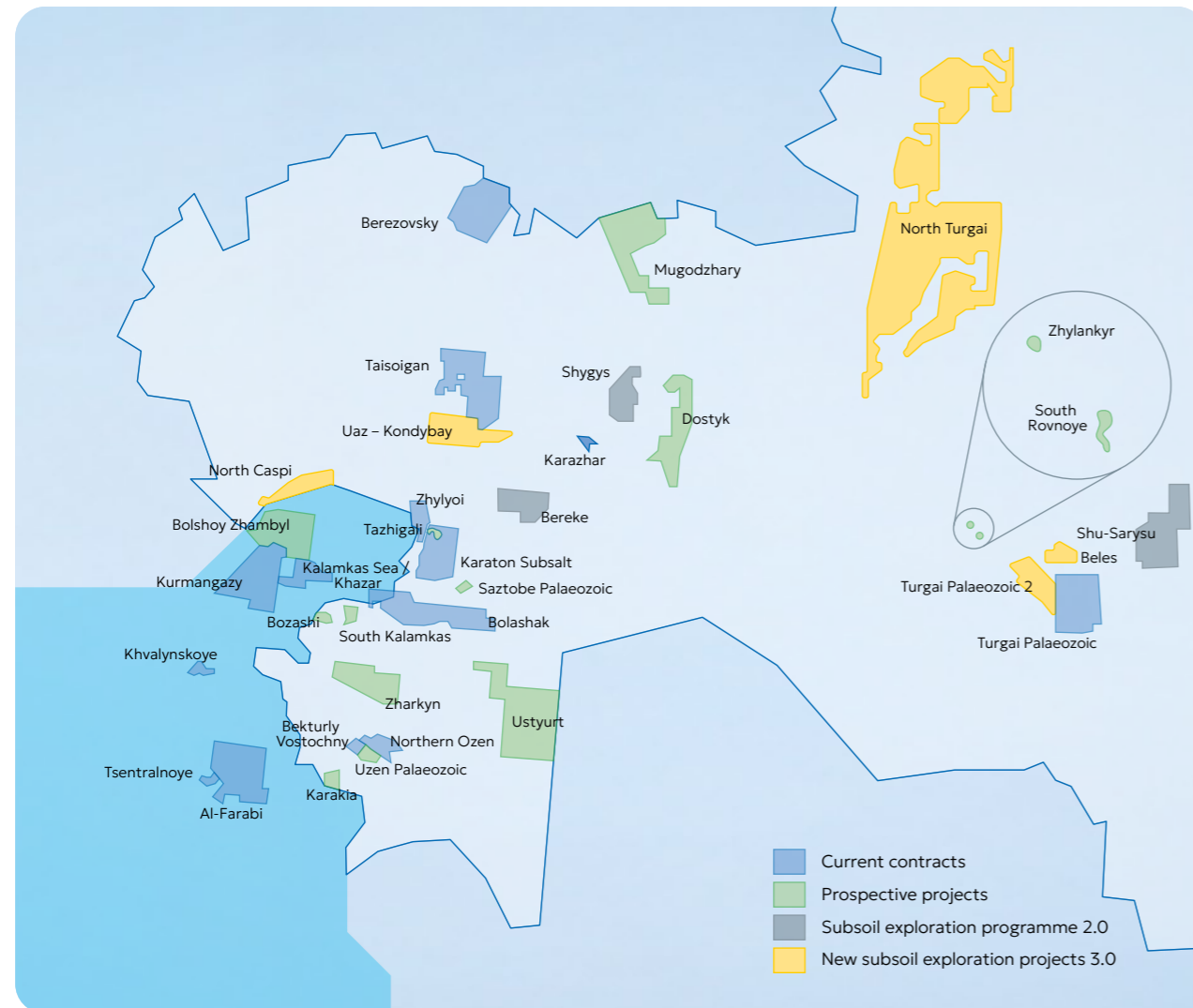
Growing the resource base is a key strategic priority for KMG. To this end, the Company has built a diversified portfolio of exploration projects developed on the back of extensive regional studies and basin modelling.

The projects are implemented under subsoil use contracts and subsoil exploration licences. To reduce geological and financial risks, KMG takes steps to team up with strategic partners.

The key priorities of the exploration programme are as follows:

- comprehensive studies of deep-seated Palaeozoic prospects;
- pro-active seismic surveying in underexplored areas;
- looking for ways to expand resource base as part of the further exploration programme at existing fields.

## Key exploration projects



### Turgai Palaeozoic project



#### Kyzylorda Region

The Turgai Palaeozoic project implemented by KMG on a standalone basis is focused on studying the subsurface geology of the South Turgai sedimentary basin and assessing the oil and gas potential of Palaeozoic deposits.

The PZ-1 prospecting well is the region's first well drilled to target the potential of subthrust Palaeozoic deposits in the South Turgai basin. The well was drilled under complex geological and technical conditions and reached a target depth of 5,500 m, with further deepening to 5,585 m.

The findings confirmed the presence of a thick Palaeozoic sedimentary complex beneath rocks historically assumed to represent the basement surface. Beneath the conventional basement, the well penetrated predominantly fractured carbonate reservoirs interbedded with shales, totalling approximately 2,500 m in thickness. This finding is of significant scientific importance for understanding the subsurface geology of the South Turgai basin.

Based on the results of this work, a programme was developed for further study of the Palaeozoic sediments potential in the region.

### Zhylyoi project

#### Atyrau Region and, partially, the Kazakhstani sector of the Caspian Sea

In 2025, the Ministry of Energy of the Republic of Kazakhstan, KMG, and CNOOC signed a hydrocarbon exploration and production contract for the complex Zhylyoi project. Notably, this marks CNOOC's maiden investment in Kazakhstan.

The Zhylyoi block is located in the transit zone of the north-eastern Caspian Sea. The project is being implemented on a 50/50 parity basis with the partner providing carry financing for the exploration phase. Zhylyoi Operating LLP is the project operator.

The block's prospects lie in both suprasalt and subsalt formations. Under the minimum work programme, we plan to acquire 400 km<sup>2</sup> of 3D seismic, reprocess 400 km of historical 2D seismic data, drill a firm well to a depth of 2,000 m and a well to 4,500 m contingent on the results of the 3D survey.

### Karatonsubsalt project

#### Atyrau Region

The Karatonsubsalt Project is aimed at studying a large carbonate platform within the subsalt deposits of the Caspian sedimentary basin. Drilling was done in a complex geological and technical environment characterised by abnormally high reservoir pressure and the presence of hydrogen sulphide.

Drilling of a prospecting well was completed in late December 2025, reaching a final depth of 5,750 m. Based on the results, we identified promising intervals, which are scheduled for testing in 2026.

The project is being implemented jointly with strategic partner, Tatneft, on a parity basis (50/50) under a carry financing arrangement provided by the partner, with Karatonsubsalt Operating Ltd acting as the subsoil user.

### Berezovsky project

#### West Kazakhstan Region

In 2025, the Ministry of Energy of the Republic of Kazakhstan, KMG, and Sinopec signed a hydrocarbon exploration and production contract as part of the complex Berezovsky project.

The Berezovsky block is located in the West Kazakhstan Region, south-east of the Karachaganak field. The project is being implemented on a 50/50 parity basis with the partner providing carry financing for the exploration phase. Akkaiyn Operating LLP is the project operator.

Prospects: the Berezovsky block's potential is associated with subsalt formations of the northern marginal zone of the Caspian basin where targets are located at significant depths in a complex geological and technical environment. Under the minimum work programme, we plan to acquire 2D and 3D seismic of 300 km and 300 km<sup>2</sup> respectively, as well as to drill a 7,000 m ultra-deep well.

### Bolashak project

#### Mangistau Region and, partially, the Kazakhstani sector of the Caspian Sea

In 2025, a hydrocarbon exploration and production contract was signed for a complex project. Bolashak Operating, KMG's 100% subsidiary, is the subsoil user.

The block is situated within the Ustyurt-Buzachi sedimentary basin, where, according to seismic surveys conducted under subsoil exploration project 1.0, two prospective structures – Salkyn and Syrytau – were prepared for drilling within the Mesozoic and Palaeozoic structures respectively. The minimum work programme comprises the drilling of two prospecting wells to depths of 3,500 m and 4,500 m respectively, alongside 3D seismic of 432 km<sup>2</sup>.

KMG plans to drill its first 3,500 m prospecting well in 2026.

### Taisoigan project

#### Atyrau Region

In 2025, drilling operations concluded at Taisoigan-1 and Taisoigan-2 blocks, which included the drilling of four prospecting wells with depths of 431 m, 675 m, 1,274 m and 4,050 m. These operations yielded no commercial hydrocarbon discoveries.

To conclusively assess the prospects of the block, KMG initiated an additional set of studies, including field geochemical survey, as well as reprocessing and reinterpretation of seismic data. Based on these studies, we plan to optimise the locations of an additional four prospecting wells.

### Karazhar project

#### Aktobe Region

In the reporting year, the drilling of a 3,250 m prospecting well was completed. The well tests yielded indications of gas. The drilling results are now subject to a comprehensive analysis to define the next steps for the project.

Kazakhturkmunay, KMG's 100% subsidiary, is the subsoil user under the project.

### Northern Ozen project

#### Mangistau Region

In 2025, a hydrocarbon exploration and production contract was signed for a complex project. The project is operated by KMG Barlau (KMG's 100% subsidiary). The drilling of prospecting well NO-1 to a depth of 2,002 m did not encounter any commercial hydrocarbon accumulations. Drilling has commenced on the second prospecting well, NO-4, with a target depth of 1,650 m.

### Abay project

#### Kazakhstani sector of the Caspian Sea

Drilling of an offshore well on the Abay structure in 2024 failed to discover any commercial hydrocarbon accumulations. As a result, in February 2025, Eni and KMG decided to withdraw from the Abay project and surrender the licence area back to the government.

In April 2025, a notice was received from the Ministry of Energy of the Republic of Kazakhstan regarding the termination of Contract No. 4752-UVS-ME dated 26 July 2019. In November 2025, the certificate of subsoil use remediation was signed.

The project was implemented jointly with strategic partner, Eni Isatay, on a parity basis under a carry financing arrangement.

### Subsoil exploration programme

KMG is continuing its exploration programme under subsoil exploration licences in underexplored regions in order to evaluate regional potential and identify prospects for subsequent subsoil use contracting decisions. Subsoil exploration programmes are operated by KMG Barlau (KMG's 100% subsidiary).

#### 1. Subsoil exploration programme 1.0

As part of the subsoil exploration programme 1.0, seismic acquisition was carried out in 2023–2024 on five projects (Berezovsky, Mugodzhary, Bolashak, Zharkyn, and Northern Ozen) located in the West Kazakhstan, Aktobe, and Mangistau regions. The programme acquired a total of 4,906 km of full-fold 2D seismic and 401 km<sup>2</sup> of 3D seismic, alongside the reprocessing of 1,600 km of legacy 2D seismic data for the Bolashak project.

The acquired data helped mitigate geological uncertainties ahead of decisions on securing subsoil use contracts. Of the five subsoil exploration projects 1.0, subsoil use contracts were secured for three blocks (Berezovsky, Bolashak and Northern Ozen) in 2025, and a contract for the Zharkyn project is expected to be obtained in 2026.

### Al-Farabi project

#### Kazakhstani sector of the Caspian Sea

Given the sanction risks that have arisen for LUKOIL, the partners are considering an early withdrawal from the Al-Farabi project by relinquishing the contract area to the government.

The project is being implemented jointly with strategic partner, LUKOIL, with KMG holding a 50.01% interest. Exploration costs are borne by the partner under a carry arrangement.

#### 2. Subsoil exploration programme 2.0

Given the return on investment from foreign partners under the subsoil exploration programme 1.0, the subsoil exploration programme 2.0 was prepared for three projects: Bereke, Shygys and Shu-Sarysu in the Atyrau, Aktobe, and Ulytau regions.

In 2025, field seismic surveys were conducted on two blocks, Bereke and Shu-Sarysu, with a total full-fold coverage of 1,500 km<sup>2</sup> of 3D and 1,800 km of 2D seismic data, respectively. Additionally, 2,650 km of historical 2D seismic data were reprocessed for the Shygys block.

#### Further exploration of existing assets

In 2025, KMG continued its further exploration programme at existing fields targeting an increase in recoverable reserves. The main focus was on searching for new reservoirs within the contract lands, refining reservoir parameters by drilling appraisal wells, reinterpreting seismic data, and updating geological models. This remains a priority, given the low geological risks and the opportunity for rapid growth of the resource base.

During 2025, six appraisal wells were drilled as part of the further exploration programme (four at Mangistaumunaigas, and one each at Embamunaigas and Ozenmunaigas), compared to a target of seven wells (five at Mangistaumunaigas, one at Embamunaigas, and one at Ozenmunaigas). The success rate stood at 67%. Testing is underway on one well (Ozenmunaigas).