
KMG EP to acquire KMG stake in PetroKazakhstan

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Interfax quoted KMG EP said in a statement that KazMunayGas Exploration Production will acquire parent company KazMunayGas' 33% stake in Chinese-Kazakh joint venture PetroKazakhstan.

According to the report, KMG EP will acquire 100% of KazMunaiGaz PKI Finance BV which owns the PetroKazakhstan stake.

The statement said "KMG EP will pay total cash consideration of USD 100.5 million in addition to assumption of existing non-recourse debt at KazMunaiGaz PKI Finance BV and associated liabilities."

KazMunaiGaz PKI Finance BV had USD 831 million in debt as of December 31st 2008. KMG EP will finance the deal from internal sources.

The statement said "The deal will be subject to a number of conditions including the receipt of regulatory clearance and approval of a majority of independent shareholders at the Extraordinary General Shareholder Meeting scheduled for November 10th 2009."

Circular providing details of the deal and information on PetroKazakhstan will be sent out to shareholders in the next few days.

The deal is expected to be closed a few weeks after the shareholders' meeting gives its approval.

(Sourced from Interfax)

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