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BMB Munai, Inc. Announces Results for 2008 Fiscal Year

June 16, 2008 - Almaty, Kazakhstan - BMB Munai, Inc. (AMEX: KAZ) announced filing of its annual report on Form 10-K with the US Securities and Exchange Commission for the fiscal year ended March 31, 2008. The Company reported net income of \$31.6 million and basic EPS of \$0.71 (diluted EPS \$0.70) on revenues of \$60.2 million. This marks a substantial increase over 2007 when the Company had net income of \$1.04 million and basic and diluted EPS of \$0.02 on revenues of \$15.79 million. Production in 2008 almost tripled production in 2007, increasing from 321,993 to 907,823 barrels on average daily production of 2,487 barrels.

Company President, Askar Tashtitov, said, "Several factors contributed to our financial performance, including our expanding oil production, our ability to make international export oil sales and the continuation of high oil prices in the international oil market. During this past fiscal year, 96% of Company's total sales volume was exported to the international market with the balance sold in Kazakhstan's local market."

"In addition to the increases in production and net income, the Company realized significant improvement in several key financial categories. In 2007 the Company's general and administrative expenses were 68.15% of revenues and were reduced to 24.50% of revenues for 2008. Also, in 2008 the Company's operating margin increased 19.5 times to 49.87% and the net profit margin increased almost eight times to 52.51%," noted Tashtitov.

The Company's 2008 fiscal year drilling program was its largest since inception. The Company completed three wells, Kariman-3, Kariman-4 and Emir-6 wells that were commenced in fiscal year 2007. In addition, four new wells were drilled and completed during the year, Dolinnoe-5, Kariman-5, Kariman-6, and Kariman-7 and the Aksaz-3 well was deepened and also put into production. Before the end of the fiscal year, the Company began drilling four new wells slated for completion within the next six months.

During 2008 the Company realized a net increase of 36.84% to its total proved reserves over figures reported in 2007. The increase of 5.63 million barrels in proved reserves was allocated among the Company's oilfields as follows:

Field	Fiscal Year 2007	Fiscal Year 2008
	Oil MSTB	Oil MSTB
Aksaz	2,247	3,338
Dolinnoe	10,264	9,462
Kariman	2,770	8,111
Total	15,281	20,911

Cautionary Note to U.S. Investors — The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use



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certain terms in this press release, such as probable reserves and resources, that the SEC's guidelines strictly prohibit us from including in filings with the SEC. U.S. Investors are urged to consider closely the disclosure in our Form 10-K, File No. 001-33034, available from us at 202 Dostyk Ave, 4th Floor Almaty, Kazakhstan 050051. You can also obtain this form from the SEC by calling 1-800-SEC-0330.

In 2006 the Emir field reserves were re-categorized from proved to probable as a result of the limited production we obtained following reworking of the Emir-1 well, a well that existed when we acquired the property. The Emir-6 well that was completed during fiscal year 2008 is yielding limited quantities of oil. Therefore, the Reserve and Economic Evaluation prepared, as of March 31, 2008, by Chapman Petroleum Engineering, Ltd, the Company's independent petroleum engineers, reduced the amount of probable reserves in the Emir field until additional data and production results are obtained.

"The Company has completed a third well, Emir-2, but that well will not be perforated until mid-summer because our completion and workover rig has been committed to scheduled activities in other fields. Therefore the Emir-2 well was excluded from consideration in the decision to re-evaluate the Emir field reserve estimate," stated Gamal Kulumbetov, Company CEO.

There was also a reduction made to the Dolinnoe field probable reserves. The Dolinnoe-5 well was drilled during the last year to determine the outer boundary of the Dolinnoe field. The Company does not consider that additional wells in this area will be commercially productive and therefore, some reduction was required where the probability of commercial producing wells is in doubt. However, Kulumbetov stated, "Despite this reduction our engineers have increased confidence regarding our proposed expenditures to drill in the Yessen structure."

The Dolinnoe-5 well is located near the mid-point between the Dolinnoe field and Yessen structure and has yielded valuable geologic and geophysical data that confirms our analysis of the nearby Yessen structure. The Yessen structure is categorized as a resource currently, since no drilling has taken place on the structure. The first well in the Yessen structure will be commenced later this year. The new proved plus probable reserve estimates showing gross and net of royalty amounts from the Chapman reserve report are summarized below:

Oil Mbbls		Gas MMscf		Total MBOE	
Gross	Net	Gross	Net	Gross	Net
73,264	71,797	67,500	66,149	84,064	82,597

Kulumbetov stated, "We expect that there will continue to be periodic revisions to our probable reserves and resource categories as new information emerges from the results of our drilling activities. We deem accretions and reductions to probable reserve estimates to be a natural process associated with exploration stage activities. Further developments in the Dolinnoe and Emir fields may result in adding back some portions of the reductions made in the current report."

"It is our strategy to continue to develop our properties in order to transition resource categories to reserve categories and probable reserves to proved reserves and finally proved undeveloped reserves to proved developed producing reserves. As we continue to increase daily production rates from wells in the Aksaz, Dolinnoe and Kariman fields, we will be able to drill



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exploratory wells in our remaining resource structures and thereby expect to continue to enlarge our reserve base,” said Kulumbetov.

BMB Munai is an independent oil and gas company engaged in the exploration, development and production of crude oil and natural gas in Western Kazakhstan. Company maintains administrative offices in Salt Lake City, Utah and Almaty, Kazakhstan.

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