

MINUTES
extraordinary general meeting of shareholders
KazMunaiGas Exploration Production JSC

Extraordinary general meeting of shareholders (hereinafter, the Meeting) of KazMunaiGas Exploration Production Joint Stock Company (hereinafter, the Company) located at: 2/Tauelsizdik, Left bank of Ishim river, Astana 010000, Republic of Kazakhstan was held on January 23, 2008 at 10am at: 10th floor, conference hall, 2/Tauelsizdik, Left bank of Ishim river, Astana 010000, Republic of Kazakhstan.

Rustem Bekturov, Deputy CEO, Oil and Gas Refining and Petrochemistry, announced that the Meeting was opened and gave the floor to **Aygul Mukanova**, chairman of the counting commission.

The chairman of the counting commission announced that the Meeting has registered 3 shareholders present holding 86,4 % of total number of voting shares of the Company:

1. NC KazMunaiGas represented by its authorized person Kenzhebek Ibrashev, Vice-President, Exploration & Production (power of attorney No. 1-27 dated 17 January 2008), holding 43,087,006 ordinary shares (61,35 % votes);
2. The Bank of New York represented by its authorized person Rustam Terekhov (power of attorney No. NYC -10299121B dated 16 January 2008) holding 1,403,185 ordinary shares (2 % votes).
3. JSC Retirement Savings Fund of Halyk Bank represented by its authorized person Gennady Sergin (power of attorney dated 23 January 2008) holding 63,922 ordinary shares (0,09% votes).

Total: Three shareholders holding 86,4 % of total number of voting shares of the Company.
The quorum was present.

R. Bekturov suggested electing Kenzhebek Ibrashev, Vice-President, Exploration & Production of NC KazMunaiGas as the chairman of the Meeting of the Company.

The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR	- 44,554,113 votes;
AGAINST	- no votes;
ABSTAIN	- no votes;

It was unanimously resolved: to elect Kenzhebek Ibrashev, Vice-President, Exploration & Production of NC KazMunaiGas as the chairman of the Meeting of the Company.

R. Bekturov advised that pursuant to p. 10.39. of the Company Charter the Corporate Secretary of the Company shall act as the Secretary of the Meeting of the Company. Therefore, it was suggested electing Ayazhan Jaxybai as the Secretary of the Meeting.

The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR - 44,554,113 votes;
AGAINST - no votes;
ABSTAIN - no votes;

It was unanimously resolved: to elect Ayazhan Jaxybai, the Corporate Secretary of the Company, as the Secretary of the Meeting.

R. Bekturov advised that pursuant to article 46.2 of the Law of the Republic of Kazakhstan *On Joint Stock Companies* (hereinafter, the Law) in the event a member of the counting commission is absent, additional election of a member of the counting commission is allowed during the meeting. In view of the aforesaid, the member of the current counting commission, Timur Nurushev, being absent, it was suggested electing Dzhambul Alimov as a member of the counting commission during the Meeting of the Company.

The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR - 44,554,113 votes;
AGAINST - no votes;
ABSTAIN - no votes;

It was unanimously resolved: to elect Dzhambul Alimov as a member of the counting commission during the Meeting of the Company.

Then the Chairman of the Meeting of the Company advised the shareholders on the voting procedure and form at the Meeting of the Company. According to the law, shareholders holding voting shares may vote on all the items on the agenda of the Meeting. It was suggested to determine the form of the voting on the agenda of the Meeting of the Company by open vote.

The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR - 44,554,113 votes;
AGAINST - no votes;
ABSTAIN - no votes;

It was unanimously resolved: to determine the form of the voting on the agenda of the Meeting of the Company by open vote.

The Chairman of the Meeting of the Company gave the floor to Ayazhan Jaxybai, the Corporate Secretary of the Company to comment on determining the time limit for the Meeting. A. Jaxybai suggested giving up to 10 minutes to all the speakers, up to 5 minutes to the discussants, up to 7 minutes to the counting commission for vote counting. Since no other suggestions were made on the issue, the issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR - 44,554,113 votes;
AGAINST - no votes;
ABSTAIN - no votes;

It was unanimously resolved: to approve the following time limit for the Meeting of the Company: up to 10 minutes to all the speakers, up to 5 minutes to the discussants, up to 7 minutes to the counting commission.

The Chairman of the Meeting of the Company gave the floor to Ayazhan Jaxybai, the Corporate Secretary of the Company to comment on the agenda items. A. Jaxybai advised that the Board of Directors of the Company resolved to convene an extraordinary general meeting (minutes No.22 dated December 4, 2007). The information on holding the Meeting of the Company was published in Yegemen Kazakhstan and Kazakhstanskaya Pravda newspapers dated December 15, 2007. No suggestions were made on amendments to the agenda.

Therefore, it was suggesting approving the following agenda of the meeting:

1. On approval of Procedure for valuation of shares of the Company at repurchase by the Company.
2. On early termination of powers of the member of the Board of Directors of the Company.
3. On election of new member of the Board of Directors of the Company.

Since no other suggestions were made on the issue, the issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR	- 44,554,113 votes;
AGAINST	- no votes;
ABSTAIN	- no votes;

It was unanimously resolved: to approve the following agenda of the meeting:

4. On approval of Procedure for valuation of shares of the Company at repurchase by the Company.
5. On early termination of powers of the member of the Board of Directors of the Company.
6. On election of new member of the Board of Directors of the Company.

R. Musin spoke on the **first item** on the agenda. R. Musin noted that in accordance with the Law of the Republic of Kazakhstan dated February 19, 2007 *On Introduction of Amendments to Certain Legislative Acts of the Republic of Kazakhstan Concerning Minority Investors' Rights Protection* there were appropriate amendments introduced to the Law of the Republic of Kazakhstan dated May 13, 2003 *On Joint Stock Companies* including the following:

- paragraph 2 of article 6 shall be amended by subparagraph 4-2 whereby founders of company shall approve a procedure for evaluation of shares at their repurchase by the company at the first meeting of founders.
- subject to the amendments introduced to subparagraph 14, paragraph 1 of article 36 the approval of changes in procedure (approval of procedure unless it is not approved by meeting of founders) for evaluation of shares at repurchase by the company falls within exclusive competence of General Meeting of Shareholders.

Therefore the draft Procedure for evaluation of shares of KazMunaiGas Exploration Production Joint Stock Company at repurchase by the Company (hereinafter – the “Procedure”) has been developed which determines the procedure for evaluation of shares (as well as depositary receipts certifying the ownership right for certain shares) at their repurchase by the Company.

This Procedure includes the following methods for evaluation of shares at repurchase by the Company:

1. Repurchase of Shares publically traded on Organized Securities Market by the Company is effected at the current market price formed on the Organized Securities Market where the Shares are traded.

2. Repurchase of Shares which are not traded on Organized Securities Market by the Company is effected at the price determined by an independent appraiser.
3. Repurchase of Shares publicly traded on Organized Securities Market at the request of the Company's shareholder is effected at the weighted average price formed on Organized Securities Market as of the date of registration of a shareholder's application less 10% discount from amount received.
4. Repurchase of Shares which are not traded on Organized Securities Market is effected at the Share book value adjusted subject to the Company's expected future development and other factors having effect on securities price formation including Share supply and demand on informal securities markets.

The Draft Procedure was accepted by the Company's Board of Directors on December 4, 2007 (Minutes No.22). In view of the aforesaid the Draft Procedure is put forward for approval at the General Meeting of Shareholders.

No suggestions were made on the issue. The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR	- 44,554,113 votes;
AGAINST	- no votes;
ABSTAIN	- no votes;

It was resolved:

- 1. To approve the attached Procedure for evaluation of shares of KazMunaiGas Exploration Production Joint Stock Company at repurchase by the Company.**

K. Ibrashev spoke on **the second agenda item**. He advised the meeting that due to staff changes in the management of NC KazMunaiGas the item on early termination of powers of the member of the Board of Directors A. Syrgabekova was put forward to the agenda.

The Major shareholder, NC KazMunaiGas JSC, proposed to introduce a newly appointed Managing Director for Economics and Finance of NC KMG Zhannat Satubaldina into the current KMG EP's Board of Directors.

Therefore, it was proposed to table this issue for review of the General Meeting of Shareholders and following resolution passing.

According to the Law of *On Joint Stock Companies* and the Charter of the Company determination of headcount and terms of office of the Board of Directors, election of its members and early termination of their powers, as well as determining the amount and terms of remuneration of members of the Board of Directors fall within exclusive competence of general meeting of shareholders.

The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR	- 44,554,113 votes;
AGAINST	- no votes;
ABSTAIN	- no votes;

It was resolved:

That the term of office of the member of the Board of Directors, A. Syrgabekova, be early terminated.

K. Ibrashev spoke on **the third agenda item**. He commented that due to early termination of powers of a member of the Board of Directors, A. Syrgabekova, it was required to consider the election of a new member of the Board of Directors of the Company.

It was suggested to elect a new member of the Company's Board and enter the candidature of Ms. Zhannat Satubaldina, Managing Director for Economics and Finance, NC KazMunaiGas, into a cumulative voting bulletin.

The Nomination Committee of the Company's Board of Directors recommended Zhannat Satubaldina, Managing Director, Economics and Finance, NC KazMunaiGas as a candidate for the membership in the Board of Directors of the Company.

Zhannat Satubaldina graduated from Ala-Ata National Economy Institute specializing in industry planning (Excellent Diploma), Postgraduate Studies at Moscow State University named after M. Lomonosov, Ph. D. in Economics and New York Institute of Finance specializing in asset management.

Over the last four years, Zhannat Satubaldina held positions of Deputy General Director, KazTransOil JSC, June 2006 up to December 2007; Managing Director for Finance, February 2006 through June 2006; Vice President, National Company Kazakhstan Temir Zholy JSC, February 2003 to February 2006.

She has monographs, articles, methodological instructions/guidelines on tariff policy, restructuring, accounting, financial statements, railway transport economics, securities management, taxation, and accounting. She has state awards, letters of gratitude for personal contribution to the development of economy of the Republic of Kazakhstan.

She is a representative of major shareholder of the Company, NC KazMunaiGas JSC, and not affiliated with the Company.

According to the Law and the Charter of the Company, determination of headcount and terms of office of the Board of Directors, election of its members and early termination of their powers, as well as determining the amount and terms of remuneration of members of the Board of Directors fall within exclusive competence of general meeting of shareholders.

Pursuant to Article 50.1 of the Law the election of members of the Board of Directors is made by cumulative voting.

Due to the lack of alternative only one candidate was presented for the membership in the Board of Directors.

The issue was put to vote. Voted **44,554,113** votes.

Votes:

FOR	- 44,554,113 votes;
AGAINST	- no votes;
ABSTAIN	- no votes;

Resolution passed by cumulative voting:

1. To elect Zhannat Satubaldina, Managing Director for Economics and Finance, NC KazMunaiGas as a member of the Company's Board of Directors.
2. To determine the term of office of the member of the Board of Directors Z.Satubaldina not exceeding the term of office of the current Company's Board of Directors.

There being no further matters to discuss, the meeting was brought to a close by the Chairman.

Chairman

K. Ibrashev

Secretary

A. Jaxybai

**Members of the Counting
Commission:**

A. Mukanova

G. Ayaganova

D. Alimov

**Shareholder holding over 10 per cent
of ordinary shares**

K. Ibrashev