

**MINUTES**  
**from Annual General Meeting of Shareholders of**  
**KazMunaiGas Exploration Production Joint Stock Company**

The annual general meeting of shareholders (“Meeting” or “AGM”) of KazMunaiGas Exploration & Production (“Company”) located at: Kabanbay Batyr 17, 010000, Astana, was held on 22 May 2018 at 10:00AM at: 3<sup>rd</sup> floor, ballroom, 17, Kabanbay Batyr, Astana.

**The name and the location of the Company’s executive body:** Management Board of KazMunaiGas Exploration & Production located at: 17, Kabanbay Batyr, Astana, 010000, Kazakhstan.

Managing Director for Legal Matters of the Company Marlen Orazbekov announced the opening of the Meeting and gave the floor to member of the Counting Committee of the Company Aigul Aliakparova.

The member of the Counting Committee stated that, in accordance with the list of the Company’s shareholders provided by Integrated Securities Registrar as at 25 April 2018 (00:00 hrs), the total number of shares placed by the Company was 74,357,042 including 4,136,107 preferred shares, and 70,220,935 ordinary shares.

The following shareholders were present at the Meeting:

1. **National Company KazMunayGas**, the owner of 43,087,006 common shares, represented by Ms. Zukhra Bayan, the Director of Operational Excellence Department at National Company KazMunayGas Joint Stock Company (power of attorney No. 113-38 dated 18 January 2018);
2. Kanat Rakhimzhanov, owner of 13,242 preferred shares;
3. **ZIM Capital**, the owner of 252 preferred shares is represented by its Chair of the Management Board Mr Yerke Nurkenov acting by virtue of the powers vested in him by order No.03-K dated 5 January 2018.
4. Kuat Bisultanov, the owner of 176 preferred shares.

Pursuant to clause 3 of Article 13 of Kazakh Stock Corporation Act a preferred share does not confer a power on a holder of such share to participate in management of the Company except in cases provided by clause 4 of the abovementioned Article.

Pursuant to subclause 8 of Article 1 of Kazakh Stock Corporation Act the following shares must not be voting shares: that were bought back by a company and shares in nominee holding and shares owned by an owner the information on which is not available in the recording system of central depository.

In total 1 representative of the shareholder entitled to attend and vote at the Meeting has been registered who holds in aggregate 43,087,006 common shares or 99.97% of the total number of Company’s voting shares based on the data from the register of shareholders as at 25 April 2018.

Pursuant to clause (1) of Article 45 of Kazakh Stock Corporation Act, the general meeting of shareholders may review and adopt resolutions on agenda items if at the end of registration of attendees of the meeting there has been registered shareholders or their representatives included into the list of shareholders entitled to attend and vote at such meeting who hold in aggregate fifty and more percent voting shares of a company.

Based on the above, the quorum of the general meeting of shareholders was reached. Therefore, the Meeting was competent to pass decisions.

Managing Director for Legal Matters of the Company Mr. Orazbekov stated that pursuant to clause 2 of Article 46 of Kazakh Stock Corporation Act in the event of absence of a member of a counting committee during the general meeting of shareholders it is allowed to additionally elect a member to the counting committee for such meeting. Therefore, due to the absence of the chair of the counting committee Ms. Lyazzat Nurmagambetova and election of the member of the committee Mr. Shyngys Iskakov as Company Secretary of the Company it has been recommended to elect the following members to the counting committee Ms. Aigerim Suleimenova, Lead Analyst of the Company Secretary Office and Ms. Aigul Mustafina, Lead Lawyer of Legal Department of the Company and elect the member of the current counting committee Ms. Aigul Aliakparova as a chair of the counting committee of the Company for the Meeting.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to elect the following members to the counting committee for the Meeting:**

1. Ms. Aigul Aliakparova – acting compliance officer of the Company as a chair of the counting committee;
2. Ms. Aigerim Suleimenova – Lead Analyst of the Company Secretary Office as a member of the counting committee;
3. Ms. Aigul Mustafina – Lead Lawyer of Legal Department of the Company as a member of the counting committee.

Mr. Orazbekov recommended electing Dauren Karabayev, Executive Vice-president – Finance Director at National Company KazMunaiGas as a Chair of the Meeting.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to elect Dauren Karabayev, Executive Vice-president – Finance Director at National Company KazMunaiGas as the Chair of the Meeting.**

Mr. Orazbekov stated that pursuant to clause 85 of the Charter of the Company the secretary of the Meeting must be the Company Secretary. Therefore, it has been recommended to elect Mr. Shyngys Iskakov, the Company Secretary as the secretary of the Meeting.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made** to elect Mr. Shyngys Iskakov, the Company Secretary as the secretary of the Meeting.

Mr. Orazbekov gave the floor to Dauren Karabayev, the Chair of the Meeting.

Then Dauren Karabayev, the Chair informed the shareholders of the manner and the form of voting at the Meeting. Pursuant to Article 50:1 of the Kazakh Stock Corporation Act, the voting at a general meeting of shareholders should be done on a “one share – one vote” principle except for the following cases: (1) if the number of votes on shares that one shareholder holds is limited under Kazakh laws; (2) if cumulative voting takes place when a member is being appointed to the Board; (3) if each person that is entitled to vote at a general meeting of shareholders is given one vote to cast on procedure for holding a general meeting of shareholders. It was recommended that open voting is used.

The matter was put to a vote. The total number of votes was one.

**Votes:**

<b>For</b>	one vote;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made that open voting is used to vote on matters on the agenda of the Company’s Meeting pursuant to Article 50:1 of the Kazakh Stock Corporation Act.**

The Chair of the Meeting Mr Dauren Karabayev gave the floor to the Secretary of the Company’s Meeting Mr Shyngys Iskakov regarding setting the time limits for the Meeting. Mr Shyngys Iskakov suggested providing up to ten minutes to each speaker on agenda items, up to five minutes to a speaker in a dispute, and up to seven minutes to the Counting Committee for counting votes.

Since there were no comments made on this item, the matter was put to a vote. The total number of votes was one.

**Votes:**

<b>For</b>	one vote;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to provide up to ten minutes to each speaker on agenda items, up to five minutes to a speaker in a dispute, and up to seven minutes to the Counting Committee for counting votes.**

The Chair of the Meeting Mr Dauren Karabayev gave the floor to the Secretary of the Company's Meeting Mr Shyngys Iskakov regarding the matter on the agenda. Mr Shyngys Iskakov reported that on 20 February 2018 the Company's Board of Directors resolved to convene annual general meeting of shareholders. The notice about the convention of the Meeting was published in the newspapers *Yegemen Kazakhstan* and *Kazakhstanskaya Pravda* both dated 6 April 2018. There were no changes proposed to the agenda.

The following agenda was proposed for approval:

- 1) approval of annual consolidated financial statements for 2017;
- 2) articulation of the manner in which net income of the Company for the last tax year should be distributed and adoption of a resolution to pay dividends per common and preferred share of the Company and the size of a dividend per common and preferred share of the Company;
- 3) approval of annual report of the Company, annual report on performance of the Board of Directors and the Management Board of the Company;
- 4) update on inquiries made by shareholders about actions of the Company or any of its officers, and results of review of such inquiries in 2017;
- 5) report on terms and quantum of fees payable to directors and members of the Management Board in 2017;
- 6) setting the number of members of the Board of Directors of the Company;
- 7) setting the term of office of the Board of Directors of the Company;
- 8) electing members to the Board of Directors of the Company;
- 9) terms and quantum of fees payable to directors and reimbursement of the directors for any costs they may incur while discharging their duties; and

Since there were no comments made on the agenda, the matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to approve the following agenda:**

- 1) approval of annual consolidated financial statements for 2017;
- 2) articulation of the manner in which net income of the Company for the last tax year should be distributed and adoption of a resolution to pay dividends per common and preferred share of the Company and the size of a dividend per common and preferred share of the Company;
- 3) approval of annual report of the Company, annual report on performance of the Board of Directors and the Management Board of the Company;
- 4) update on inquiries made by shareholders about actions of the Company or any of its officers, and results of review of such inquiries in 2017;
- 5) report on terms and quantum of fees payable to directors and members of the Management Board in 2017;
- 6) setting the number of members of the Board of Directors of the Company;

- 7) setting the term of office of the Board of Directors of the Company;
- 8) electing members to the Board of Directors of the Company;
- 9) terms and quantum of fees payable to directors and reimbursement of the directors for any costs they may incur while discharging their duties; and

**Item 1.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Mr Dastan Abdulgafarov, the Deputy CEO for Economy and Finance (Chief Financial Officer).

Mr Abdulgafarov reported that pursuant to subclause (12) of Article 103 of the Company's Charter, approval of annual consolidated financial statements and annual report of the Company is within the exclusive authority of the general meeting of shareholders.

Ernst & Young have audited the consolidated financial statements of the Company for 2017. Pursuant to subclause 5 of Article 108 of the Company's Charter and Regulations for Audit Committee under the Company's Board of Directors the Audit Committee and the Company's Board of Directors have reviewed and endorsed those financial statements on 20 February 2018.

The consolidated financial statements of the Company includes:

- Independent auditor's report;
- Consolidated statements on financial position;
- Consolidated statements on total revenue;
- Consolidated statements on cash flow;
- Consolidated statements on changes in capital;
- Notes to annual consolidated financial statements.

The Company's annual consolidated financial statements and auditor's report are available either at [www.kmgep.kz](http://www.kmgep.kz) or provided upon request from shareholders.

The approval of the Company's annual financial statements for 2017 was submitted to shareholders for consideration.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to approve the 2017 annual consolidated financial statements of the Company for 2017.**

**Item 2.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Mr Dastan Abdulgafarov, Deputy CEO for Economy and Finance (Chief Financial Officer).

Mr Abdulgafarov reported that in accordance with subclause (3) Article 44:3 of Kazakhstan Stock Corporation Act (the “Act”) and subclause (3) of Article 74 of the Company’s Charter, materials for the annual general meeting of shareholders shall include recommendations of the Board of Directors on procedure for distribution of Company’s net income for the past financial year and amount of dividend for the year per ordinary share and per preferred share of the Company. Pursuant to Article 37 of the Company’s Charter, the record date of shareholders entitled to dividends may not be set less than ten (10) calendar days after the date of decision on dividend payment. The payment of dividends should commence no less than thirty (30) calendar days after the record date of the shareholders entitled to dividends.

On 10 April 2018, the Board of Directors recommended that the annual general meeting of shareholders approves the procedure for distribution of Company’s net income and amount of dividend per ordinary share and per preferred share of the Company for 2017.

Based on the aforesaid and proposal from the Company’s Board of Directors, the annual general meeting of shareholders is recommended to approve the following procedure for distribution of Company’s net income for 2017 and the amount of dividend per ordinary share and per preferred share of the Company for 2017:

1. Approve the following procedure for distribution of net income of the Company (full name: Joint Stock Company KazMunaiGas Exploration Production; located at: Kabanbay Batyr, 17, 010000, Astana, Republic of Kazakhstan; bank details: BIN 040340001283, IBAN KZ656010111000022542, SWIFT HSBKZZKX, JSC Halyk Bank of Kazakhstan, Astana Regional Branch) for 2017 and the amount of dividend for 2017 per ordinary share and preferred share of the Company:

(1) the amount of dividend for 2017 per ordinary share of the Company is zero (0) tenge;

(2) the amount of dividend for 2017 per preferred share of the Company is twenty-five (25) tenge (including taxes payable under Kazakh laws);

(3) pay the dividend to Company’s shareholders in the amount that is equal to the product of the dividend amount for the year 2017 per preferred share by the number of relevant outstanding shares as at the record date of shareholders entitled to dividends;

(4) the date and the time when the list of shareholders entitled to dividends shall be completed is 1 June 2018 at 00:00 hrs);

(5) the payment of dividends will start on 2 July 2018; and

(6) the manner in which the dividends will be paid is wire transfer to bank accounts of shareholders as per the list of shareholders entitled to dividends.

2. that Mr Kurmangazy Iskazyev, the Chief Executive Officer and the chair of the Management Board of the Company, takes steps required for this resolution to be implemented under Kazakh laws.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made:**

**1. Approve the following procedure for distribution of net income of the Company (full name: Joint Stock Company KazMunaiGas Exploration Production; located at: Kabanbay Batyr, 17, 010000, Astana, Republic of Kazakhstan; bank details: BIN 040340001283, IBAN KZ656010111000022542, SWIFT HSBKKZKX, JSC Halyk Bank of Kazakhstan, Astana Regional Branch) for 2017 and the amount of dividend for 2017 per ordinary share and preferred share of the Company:**

**(1) the amount of dividend for 2017 per ordinary share of the Company is zero (0) tenge;**

**(2) the amount of dividend for 2017 per preferred share of the Company is twenty-five (25) tenge (including taxes payable under Kazakh laws);**

**(3) pay the dividend to Company's shareholders in the amount that is equal to the product of the dividend amount for the year 2017 per preferred share by the number of relevant outstanding shares as at the record date of shareholders entitled to dividends;**

**(4) the date and the time when the list of shareholders entitled to dividends shall be completed is 1 June 2018 at 00:00 hrs);**

**(5) the payment of dividends will start on 2 July 2018; and**

**(6) the manner in which the dividends will be paid is wire transfer to bank accounts of shareholders as per the list of shareholders entitled to dividends.**

**2. that Mr Kurmangazy Iskaziyeu, the Chief Executive Officer and the chair of the Management Board of the Company, takes steps required for this resolution to be implemented under Kazakh laws.**

**Item 3.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Ms Miramgul Maralova, the Deputy Director of Corporate Finance and Investor Relations Department.

Ms Miramgul Maralova reported that pursuant to Article 49 of the Company's Charter, and in accordance with UKLA's Disclosure and Transparency Rules and corporate governance standards recommended by the Company's Code on Corporate Governance, the annual report has been prepared by the Company's Management Board and approved and presented to the general meeting of shareholders by the Company's Board of Directors.

Pursuant to subclause 12) of Article 103 of the Company's Charter, the approval of annual report of the Company is within the competence of general meeting of shareholders.

Pursuant to subclause 9.1 of Article 9 of the Terms of Reference of the Board of Directors of the Company, the Board of Directors must present at annual general meeting of shareholders a report on performance of the Board of Directors and the Management Board including a complete information on matters with resolutions adopted on such matters by the Board of Directors and the Management Board.

On 23 May 2017 in its resolution the annual general meeting of shareholders set the number of members to the Board of Directors of the Company – 8 people with the term of office set from 23 May 2017 through 23 May 2018.

Following the results of annual general meeting of shareholders held on 23 May 2017 the following members were elected to the Board of Directors of the Company:

1. Igor Goncharov – representative of NC KazMunaiGas.
2. Dauren Karabayev – representative of NC KazMunaiGas.
3. Ardak Mukushov – representative of NC KazMunaiGas.
4. Gustave van Meerbeke – representative of NC KazMunaiGas.
5. Kurmangazy Iskaziyeu – CEO and Chair of the Management Board of the Company.

6. Philip Dayer – independent director.
7. Alastair Ferguson – independent director.
8. Francis Sommer – independent director.

On 19 September 2017 Dauren Karabayev was elected as a new Chair of the Board of Directors of the Company.

Following the results of the extraordinary general meeting of shareholders held on 19 October 2017 a decision was made to terminate the powers of Igor Goncharov, the member of the Board of Directors of the Company and elect Oleg Karpushin as a member of the Board of Directors of the Company (as representative of the shareholder – National Company KazMunaiGas) for the term of powers set for the entire Board of Directors of the Company.

During 2017 the Board of Directors held 38 meetings including 10 regular meetings, and 28 meetings held by correspondence at which the Board reviewed financial, operational and other matters pertaining to the exclusive authority of the Board of Directors.

Also in 2017 Independent Committee including only independent directors of the Company reviewed matters relating to acquisition, buyback and/or delisting of shares and/or other securities placed with Kazakh and/or foreign stock market where the underlying asset was shares of the Company.

Committees (i.e. Audit, Remuneration, Nominations and Strategic Planning) under the Board of Directors of the Company performed in accordance with the Terms of Reference for such committees.

Management Board of the Company (“Management Board”), is an executive body that manages day-to-day operations of the Company.

From 28 June 2017 based on resolutions of the Board of Directors of the Company the composition of the Management Board has been changed:

- a decision was made to terminate the powers of the following members of the Management Board: Dauletzhan Khasanov and Kairbek Yeleusinov.
- a decision was made to elect the following members to the Management Board for the term of powers of the entire Management Board: Kuanyshbay Nurgaliyev and Bekmurat Naizabekov.

In 2017 the Management Board regularly and as often as required held 31 meetings. During 2017 the Management Board reviewed the most important matters relating to operations of the Company, internal procedures, management risks, and rules and regulations governing and setting forth internal business processes, annual plan of purchases of goods, works and services.

The Company’s annual report for 2017 is available on the company’s website [www.kmgep.kz](http://www.kmgep.kz) or may be provided upon request from a shareholder.

The approval of Company’s annual report and a report on performance of the Board of Directors and the Management Board for 2017 is hereby brought to the attention of shareholders.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to approve the Company’s annual report and a report on performance of the Board of Directors and the Management Board for 2017.**

**Item 4.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Ms Miramgul Maralova, the Deputy Director of Corporate Finance and Investor Relations Department.

Ms Miramgul Maralova reported that pursuant to subclause (3) of Article 35:2 of the Kazakh Stock Corporation Act and clause 49 of the Company's Charter, the annual general meeting of shareholders shall review complaints from shareholders in relation to actions taken by the Company or its officers as well as results of such review.

The following inquiries were made by Company's shareholders in 2017:

On 4 December 2017 the Company announced about its intention to implement a tender offer on buyback of all its outstanding GDRs at US 14 dollars per GDR. Following the announcement on 5 December 2017 an inquiry was made by minority shareholders – holders of preferred shares of KMG EP with their concerns as regards prospects for preferred shares and they suggested reviewing the opportunity for buyback of preferred shares at a price that was not lower than the average weighted price of common shares or similar GDR for 30 days prior to expected date of buyback or at book value per share to be bought back as at the date of buyback.

On 12 December 2017 the Company sent a letter with a draft of a reply to the shareholders and NC KazMunaiGas with a view to send an official response on behalf of the Chair of the Board of Directors of the Company with clarifications that pursuant to clause 2 of Article 53 of the Kazakh Stock Corporation Act No. 415-II dated 13 May 2003 the Board of Directors has exclusive authority over decision-making on buyback of outstanding shares or any other securities and a buyback price for such shares or securities. It was also noted in the letter that on 8 December 2017 the Board of Directors of the Company approved the launch of conditional tender offer to buyback all outstanding global depositary receipts of KMG EP according to which the Company had no intention to buyback the preferred shares and delist them from Kazakh Stock Exchange.

Then Mr. Kanat Rakhimzhanov, the shareholder of the Company, owner of preferred shares of the Company requested to inform on further steps of the Company and majority shareholder NC KazMunaiGas with respect to the preferred shares of the Company.

Mr. Dauren Karabayev replied that the Company would provide the information to all shareholders as soon as it would become available under Kazakh laws.

The shareholders were asked to take note of the report.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to take note of the report.**

**Item 5.** The Chair of the Meeting Mr Dauren Karabayev spoke on the matter.

Pursuant to clause 2 of Article 35 of the Kazakh Stock Corporation Act and clause 49 of the Company's Charter, the Chair of the Board of Directors updates Company's shareholders on the quantum and terms of compensation to members of the Board of Directors and the Management Board of the Company.

As at 31 December 2017 the Board of Directors of KazMunaiGas Exploration & Production ("Company") comprised eight people.

Dauren Karabayev, the Chair of the Board of Directors, Executive Vice President – Finance Director at National Company KazMunaiGas;

Members of the Board of Directors:

Kurmangazy Iskaziyev, the Chief Executive Officer and Chair of the Management Board of the Company;

Gustave van Meerbeke, independent consultant on oil and gas matters, representative of National Company KazMunaiGas;

Oleg Karpushin, Executive Vice President for Production, Exploration and Oilfield Services at National Company KazMunaiGas;

Ardak Mukushov, Vice President for Legal Support at National Company KazMunaiGas;

Philip Dayer, the independent director on the Board of Directors, the Chair of the Audit and Nominations Committees;

Francis Sommer, the independent director on the Board of Directors, the Chair of the Remuneration Committee of the Board of Directors; and

Alastair Ferguson, the independent director on the Board of Directors, the Chair of the Strategic Planning Committee.

In 2017, only three independent directors from amongst the directors were compensated for their involvement in the performance of the Board of Directors. In 2017 the total amount of compensation paid to the independent directors was 377,908 thousand tenge including 10-percent individual income tax, specifically: 142,214 thousand tenge to Philip Dayer; 33,639 thousand tenge to Edward Walshe; 127,357 thousand tenge to Alastair Ferguson and 74,698 thousand tenge to Francis Sommer.

The compensation for the independent directors has been determined by annual general meeting of shareholders held on 23 May 2017 and extraordinary general meeting of shareholders held on 19 October 2017. This includes annual bonus, fees for attending meetings of the Board of Directors, fees for attending Board meetings via telephone or video conference, fees for attending meetings of independent directors, and compensation for chairing meetings of the Audit Committee, the Remuneration Committee, the Nominations Committee and the Strategic Planning Committee of the Company's Board of Directors. The remaining members of the Board of Directors are not compensated as members of the Board of Directors, but they are still entitled to reimbursement of costs related to such appointment under the Terms of Reference for the Board of Directors.

The report on the quantum and terms of compensation for the Management Board of the Company must be specified in the Depositary of Financial Statements and in the Annual Report of the Company.

The shareholders were asked to take note of the report.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

**For** 43,087,006 votes;

<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made to take note of the report.**

**Item 6.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Mr Shyngys Iskakov, the Company Secretary.

Mr Shyngys Iskakov reported that pursuant to subclause 5) of Article 36:1 of the Kazakh Stock Corporation Act and subclause 10 of Article 103 of the Company's Charter, general meeting of shareholders has exclusive authority over determination of headcount and terms of office of the Board of Directors, appointment of its members and early termination of their powers, approval of the Terms of Reference for the Board of Directors as well as determining the amount and terms of remuneration of members of the Board of Directors.

Pursuant to clause 114 of the Company's Charter, the number of members of the Board of Directors shall (in the absence of casual vacancies) include at least eight (8) persons, including independent directors and CEO (Chair of the Management Board).

As per recommendation made by the Board of Directors, the following resolution was proposed to the shareholders:

The number of members of the Board of Directors shall include eight (8) persons.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made that the number of directors on the Board is eight (8).**

**Item 7.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Mr Shyngys Iskakov, the Company Secretary.

Mr Shyngys Iskakov reported that pursuant to subclause 5) of Article 36:1 of the Kazakh Stock Corporation Act and subclause 10 of Article 103 of the Company's Charter, general meeting of shareholders has exclusive authority over determination of headcount and terms of office of the Board of Directors, appointment of its members and early termination of their powers, approval of the Terms of Reference for the Board of Directors as well as determining the amount and terms of remuneration of members of the Board of Directors.

As per recommendation made by the Board of Directors, the following resolution was proposed to the shareholders:

The terms of office of the Board of Directors is one (1) year (from 22 May 2018 through 22 May 2019).

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**Decision was made that the terms of office of the Board of Directors is one (1) year (from 22 May 2018 through 22 May 2019).**

**Item 8.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Mr Shyngys Iskakov, the Company Secretary.

Mr Shyngys Iskakov reported that pursuant to subclause 5) of Article 36:1 of the Kazakh Stock Corporation Act and subclause 10 of Article 103 of the Company's Charter, general meeting of shareholders has exclusive authority over determination of headcount and terms of office of the Board of Directors, appointment of its members and early termination of their powers, approval of the Terms of Reference for the Board of Directors as well as determining the amount and terms of remuneration of members of the Board of Directors.

The notice about the calling of annual general meeting of shareholders was published in the newspapers Yegemen Kazakhstan and Kazakhstanskaya Pravda both dated 6 April 2018 (pursuant to clause 10.16 of the Company's Charter). Pursuant to clause 3.8 of the Terms of Reference for the Board of Directors (as approved by the general meeting of shareholders on 30 October 2007) ("Terms of Reference for the Board of Directors"), shareholders may propose candidates to the Board within fifteen (15) days from the date of notice of the upcoming general meeting of shareholders that has appointment of new directors to the Board on its agenda. The Board may make recommendations on candidates to the Board on or before the date papers have been prepared for the agenda of the general meeting for information of shareholders but no later than within ten (10) days prior to the meeting.

Pursuant resolution of the Board of Directors passed on 11 May 2018 (minutes No.15), with due account of proposals and recommendations of the Nominations Committee under the Board of Directors the following candidates are nominated for appointment to the Board:

1. Kurmangazy Iskazyev Management Production);	- Chief Executive Officer (Chair of the Board of KazMunaiGas Exploration
2. Baltabek Kuandykov	- independent director;
3. Zhannat Yertlesova	- independent director;
4. Geroy Zholtayev	- independent director;
5. Oleg Karpushin	- representative from NC KMG;
6. Dauren Karabayev	- representative from NC KMG;
7. Ardak Mukushov	- representative from NC KMG;
8. Asiya Syrgabekova	- representative from NC KMG.

(Information on the abovementioned candidates have been attached to the Board papers).

One shareholder - National Company KazMunaiGas ("NC KMG") recommended electing the following candidates to the Company's Board of Directors:

1. Kurmangazy Iskazyev Management Production);	- Chief Executive Officer (Chair of the Board of KazMunaiGas Exploration
2. Baltabek Kuandykov	- independent director;
3. Zhannat Yertlesova	- independent director;

- |                      |                               |
|----------------------|-------------------------------|
| 4. Geroy Zholtayev   | - independent director;       |
| 5. Oleg Karpushin    | - representative from NC KMG; |
| 6. Dauren Karabayev  | - representative from NC KMG; |
| 7. Ardak Mukushov    | - representative from NC KMG; |
| 8. Asiya Syrgabekova | - representative from NC KMG. |

More details about the candidates recommended by NC KMG (pursuant to clause 2 of Article 44 of the Stock Corporation Act, clause 73 and 115 of the Company's Charter, the Corporate Governance Code, and the criteria for independence of directors on the Board of the Company) is attached hereto.

Pursuant to clause 3 of Article 54 of the Kazakh Stock Corporation Act, the candidates will be elected by cumulative voting using voting ballots except when one candidate is standing for a post in the Board. Therefore, cumulative voting should be done on a "one share – one vote" principle.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:**

**to elect the following people to the Company's Board of Directors:**

- |                               |  |
|-------------------------------|--|
| <b>1. Kurmangazy Iskazyev</b> | <b>- Chief Executive Officer (Chair of the Board of KazMunaiGas Exploration Production);</b> |
| <b>2. Baltabek Kuandykov</b>  | <b>- independent director;</b>   |
| <b>3. Zhannat Yertlesova</b>  | <b>- independent director;</b>   |
| <b>4. Geroy Zholtayev</b>     | <b>- independent director;</b>   |
| <b>5. Oleg Karpushin</b>      | <b>- representative from NC KMG;</b>   |
| <b>6. Dauren Karabayev</b>    | <b>- representative from NC KMG;</b>   |
| <b>7. Ardak Mukushov</b>      | <b>- representative from NC KMG;</b>   |
| <b>8. Asiya Syrgabekova</b>   | <b>- representative from NC KMG.</b>   |

**Item 9.** Mr Dauren Karabayev, the Chair of the Meeting, gave the floor to Mr Shyngys Iskakov, the Company Secretary.

Mr Shyngys Iskakov reported that pursuant to subclause 10 of Article 103 of the Company's Charter, general meeting of shareholders has exclusive authority over determination of headcount and terms of office of the Board of Directors, appointment of its members and early termination of their powers, approval of the Terms of Reference for the Board of Directors as well as determining the amount and terms of remuneration of members of the Board of Directors.

Pursuant resolution of the Board of Directors passed on 11 May 2018 (minutes No.15), with due account of proposals and recommendations of the Remuneration Committee under the Board of Directors the following remuneration and fees are recommended to be set to the members on the Board based on which the following resolution has been brought before the shareholders:

1. set the following terms and quantum of fees payable to members of the Board of Directors – independent directors from the date of their election to the Board of Directors of the Company:

Monthly fee of 2,000,000 tenge (less individual income tax and mandatory pension contributions) for each independent director of the Company.

2. set the following terms and quantum of fees payable to directors, members of the Board of Directors and reimbursement of the directors of KazMunaiGas Exploration Production for any costs they may incur while discharging their duties prior to approval of internal document of KazMunaiGas Exploration Production that would set forth terms and quantum of fees payable to directors of KazMunaiGas Exploration Production:

1) for independent directors – pursuant to terms of contracts to be signed with them;

2) for other members of the Board of Directors – the following expenses associated with performance of the Board of Directors and its committees:

- rental of accommodation – as per actual expenses;
- travel to a place of meeting and back to a place of permanent work/ permanent residence - as per business class rates;
- transfer from/to airport/station from/to hotel - as per actual expenses;
- use of international (cellular) communication, fax, videoconferences, conference calls - as per actual expenses.

Compensations shall be paid upon provision of documentary evidence of incurred costs to KazMunaiGas Exploration Production.

3. to authorize the Chair of the Company’s Board of Directors to sign letters of engagement with the independent directors on behalf of the Company on the above terms and conditions.

Then Mr. Dauren Karabayev, the Chair of the Board of Directors gave the floor to Ms. Zukhra Bayan, representative of NC KazMunaiGas to express a dissenting opinion on this matter.

Ms. Zukhra Bayan recommended to amend the resolution of the Meeting as regards the monthly fee for each independent director of the Company, specifically set the monthly fee of 1,000,000 tenge (less individual income tax and mandatory pension contributions) for each independent director of the Company.

The matter was put to a vote. The total number of votes was 43,087,006 votes.

**Votes:**

**For** 43,087,006 votes;

**Against** no votes;

**Abstained** no votes.

**It was resolved to:**

1. set the following terms and quantum of fees payable to members of the Board of Directors – independent directors from the date of their election to the Board of Directors of the Company:

Monthly fee of 1,000,000 tenge (less individual income tax and mandatory pension contributions) for each independent director of the Company.

2. set the following terms and quantum of fees payable to directors, members of the Board of Directors and reimbursement of the directors of KazMunaiGas Exploration Production for any costs they may incur while discharging their duties prior to approval of internal document of KazMunaiGas Exploration Production that would set forth terms and quantum of fees payable to directors of KazMunaiGas Exploration Production:

1) for independent directors – pursuant to terms of contracts to be signed with them;

2) for other members of the Board of Directors – the following expenses associated with performance of the Board of Directors and its committees:

- rental of accommodation – as per actual expenses;
- travel to a place of meeting and back to a place of permanent work/ permanent residence - as per business class rates;
- transfer from/to airport/station from/to hotel - as per actual expenses;
- use of international (cellular) communication, fax, videoconferences, conference calls - as per actual expenses.

Compensations shall be paid upon provision of documentary evidence of incurred costs to KazMunaiGas Exploration Production.

3. to authorize the Chair of the Company’s Board of Directors to sign letters of engagement with the independent directors on behalf of the Company on the above terms and conditions.

There being no further business the meeting was closed. Mr. Dauren Karabayev, the Chairman of the Meeting thanked the shareholders for participation.

The Company’s Meeting was closed at 11:15AM.

Chair of the General Meeting of Shareholders \_\_\_\_\_ Dauren Karabayev

Secretary of the General Meeting of Shareholders \_\_\_\_\_ Shyngys Iskakov

Members of the Counting Committee: \_\_\_\_\_ Aigul Aliakparova

\_\_\_\_\_ Aigerim Suleimenova

\_\_\_\_\_ Aigul Mustafina

On behalf of the Shareholder holding more than 10% of Common Shares \_\_\_\_\_ Zukhra Bayan