

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

The annual general meeting of shareholders (“Meeting”) of KazMunaiGas Exploration Production Joint Stock Company (“Company”) located at: Kabanbay Batyr 17, 010000, Astana, was held on 19 May 2015 at 10:00AM at: 1<sup>st</sup> floor (left wing of the building), Tulip conference hall, Hilton Garden Inn Astana, Kabanbay Batyr 15, Astana.

Mr Abat Nurseitov, the Company’s CEO and Management Board Chair announced the opening of the Meeting, and gave the floor to Mr. Yerden Raimbekov, Chairman of the Counting Committee of the Company.

The Chair of the Counting Committee stated that, in accordance with the list of Company’s shareholders provided by the Integrated Securities Registrar of the Company as at 17 April 2015, the total number of shares placed by the Company was 74,357,042 of which 4,136,107 were preferred shares, and 70,220,935 were common or ordinary shares.

The following shareholders were present at the Meeting: an authorized representative of the majority shareholder National Company KazMunayGas Joint Stock Company; a representative of the nominee holder of common shares from Deutsche Bank Trust Company Americas (a depository bank of KazMunaiGas Exploration Production JSC); and an authorized representative of Asyl Invest, the shareholder.

1. National Company KazMunayGas Joint Stock Company, the holder of 43,087,006 common shares, represented by Mr Damir Teberikov, Deputy Director of Production Asset Management Department at National Company KazMunayGas Joint Stock Company, (power of attorney No. 2-57 dated 10 April 2015);

2. Deutsche Bank Trust Company Americas (a depository bank of KazMunaiGas Exploration Production JSC), a nominee holder of 15,540,130 common shares represented by Ms Aizhan Amanzholova (unnumbered power of attorney dated 11 May 2015); and

3. Asyl Invest represented by Gabiden Balginbekov (unnumbered power of attorney dated 18 May 2015), a holder of 8,623 preferred shares according to the Integrated Securities Registrar. Pursuant to clause 3 of Article 13 of the Kazakh Stock Corporation Act, a preferred share does not entitle its owner to manage company’s business except as specified in clause 4 of Article 3.

Total: two shareholders were present entitled to attend and vote at the AGM, and collectively holding 99.3% (NC KazMunayGas JSC, and Deutsche Bank Trust Company Americas) of the total number of the Company’s voting shares.

Pursuant to clause (1) of Article 45 of the Kazakh Stock Corporation Act, general meeting of shareholders may review and make decisions on items on agenda if shareholders or their representatives, that had been incorporated into the list of shareholders entitled to attend such meeting and cast their votes thereupon and that collectively hold fifty or more percent of company’s voting shares, have been registered prior to the end of registration of attendants of such meeting.

The quorum of the general meeting of shareholders was reached.

Mr. Nurseitov recommended appointing Mr Christopher Hopkinson, First Deputy Chair of the Management Board at National Company KazMunayGas Joint Stock Company, as Chair of the Meeting.

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

**Votes:**

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

**Against** no votes;

**Abstained** no votes.

**A majority decision was made to appoint Mr Christopher Hopkinson, First Deputy Chair of the Management Board at National Company KazMunayGas Joint Stock Company, as Chair of the Meeting.**

Mr Nurseitov reported that in accordance with clause 10.39 of the Company's Charter, the Company Secretary shall act as Secretary of general meeting of shareholders. Therefore, it was proposed to appoint Mr Aidar Zhexenbiyev, the Company Secretary, as the Secretary of the Company's Meeting.

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

**Votes:**

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

**Against** no votes;

**Abstained** no votes.

**A majority decision was made to appoint Mr Aidar Zhexenbiyev, the Company Secretary, as secretary of the Meeting.**

Then 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.

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

**Votes:**

**For** one vote;

**Against** no votes;

**Abstained** no votes.

**A majority 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 Hopkinson gave the floor to the Secretary of the Company's Meeting Mr Zhexenbiyev regarding setting the time limits for the Meeting. Mr Zhexenbiyev 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.

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

**Votes:**

**For** one vote;

**Against** no votes;

**Abstained** no votes.

**A majority 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 Hopkinson gave the floor to the Secretary of the Company's Meeting Mr Hopkinson regarding the matter on the agenda. Mr Hopkinson informed that on 30 March 2015 the Company's Board of Directors resolved to call annual general meeting of shareholders. The notice about the calling of the Meeting was published in the newspapers *Yegemen Kazakhstan* and *Kazakhstanskaya Pravda* both dated 3 April 2015. There were no changes proposed to the agenda.

The following agenda was proposed for approval:

- (1) approval of annual financial statements for 2014;
- (2) outlining a procedure for distribution of net income of the Company for the last financial year, and the amount of dividend per share of the Company;
- (3) approval of Company's annual report for 2014;
- (4) review of complaints made by shareholders as to Company's or its officers' actions, and results of such review in 2014; and
- (5) report on compensation package for members of the Board of Directors and the Management Board in 2014.

Since there were no comments made on the agenda, this matter was put to a vote. The total number votes was 58,627,136 votes.

**Votes:**

**For** 58,627,136 votes;

**Against** no votes;

**Abstained** no votes.

**A majority decision was made to approve the following agenda:**

- (1) approval of annual financial statements for 2014;
- (2) outlining a procedure for distribution of net income of the Company for the last financial year, and the amount of dividend per share of the Company;
- (3) approval of Company's annual report for 2014;
- (4) review of complaints made by shareholders as to Company's or its officers' actions, and results of such review in 2014; and

(5) report on compensation package for members of the Board of Directors and the Management Board in 2014.

**Item 1.** Mr Dastan Abdulgafarov, Deputy CEO for Economy and Finance (Chief Financial Officer), was given the floor. He reported that pursuant to subclause (10) Article 11:1 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.

In accordance with requirements of the London Stock Exchange and the Kazakhstan Stock Exchange, Ernst & Young have audited the consolidated financial statements of the Company for 2014. The Audit Committee has reviewed those financial statements pursuant to the Audit Committee Regulations on 24 February 2015.

The key figures in the Financial Statements for 2014 are as follows:

revenue: 845,770 million tenge (~845 bn);  
net profit: 47,038 million tenge (~47 bn).

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.

Shareholders were asked to approve the annual consolidated financial statements of the Company for 2014.

The matter was put to a vote. The total number votes was 58,627,136 votes.

**Votes:**

<b>For</b>	58,612,544 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	14,592 votes.

**A majority decision was made to approve the 2014 annual financial statements of the Company.**

**Item 2.** Mr Dastan Abdulgafarov, Deputy CEO for Economy and Finance (Chief Financial Officer), was given the floor. He said that in accordance with subclause (3) Article 44:3 of Kazakhstan Stock Corporation Act (the "Act") and subclause (3) of Article 10:28 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 8:1 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 beginning of dividend payment shall commence no less than thirty (30) calendar days after the record date of the shareholders entitled to dividends.

On 7 April 2015, the Board of Directors recommended to the annual general meeting of shareholders to approve the procedure for distribution of Company's net income and amount of dividend per ordinary share and per preferred share of the Company for 2014.

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 2014 and the amount of dividend per ordinary share and per preferred share of the Company for 2014:

- (1) the amount of dividend for 2014 per ordinary share of the Company is 440 tenge (including taxes payable under the laws of Kazakhstan);
- (2) the amount of dividend for 2014 per preferred share of the Company is 440 tenge (including taxes payable under the laws of Kazakhstan);
- (3) the amounts of dividends referred to in subclauses (1) and (2) hereof will be adjusted by multiplying the set amount of dividend by the KZT/USD official exchange rate set by National Bank of Kazakhstan as at the dividend payment start date at the KZT/USD exchange rate as at the date of adoption of resolution by the Board of Directors which is KZT185.65 per US dollar;
- (4) distribute the net income earned by the Company for the year 2014 in compliance with audited consolidated financial statements in the following manner:
  - pay the dividend in the amount that is equal to the product of the adjusted dividend amount for the year 2014 per ordinary and per preferred share by the number of relevant outstanding shares as at the record date of shareholders entitled to dividends;
  - keep the remaining cash with the Company.
- (5) the list of shareholders entitled to dividends shall be fixed on 1 June 2015 at 11.59p.m. (23:59);
- (6) the payment of dividends will start on 1 July 2015;
- (7) 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.

This matter was put to a vote. The total number votes was 58,627,136 votes.

**Votes:**

<b>For</b>	50,870,547 votes;
<b>Against</b>	7,753,213 votes;
<b>Abstained</b>	3,376 votes.

**A majority decision was made:**

- 1. to 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: business identification number 040340001283, IBAN KZ656010111000022542, SWIFT HSBKKZKX, JSC Halyk Bank of Kazakhstan, Astana Regional Branch) for 2014 and the amount of dividend for 2014 per ordinary share and per preferred share of the Company:**
  - (1) the amount of dividend for 2014 per ordinary share of the Company is 440 tenge (including taxes payable under the laws of Kazakhstan);**
  - (2) the amount of dividend for 2014 per preferred share of the Company is 440 tenge (including taxes payable under the laws of Kazakhstan);**
  - (3) the amounts of dividends referred to in subclauses (1) and (2) hereof will be adjusted by multiplying the set amount of dividend by the KZT/USD official exchange rate set by National Bank of Kazakhstan as at the dividend payment start date at the KZT/USD exchange rate as at the date of adoption of resolution by the Board of Directors which is KZT185.65 per US dollar;**
  - (4) distribute the net income earned by the Company for the year 2014 in compliance with audited consolidated financial statements in the following manner:**
    - pay the dividend in the amount that is equal to the product of the adjusted dividend amount for the year 2014 per ordinary and per preferred share by the number of relevant outstanding shares as at the record date of shareholders entitled to dividends;**

- keep the remaining cash with the Company.
  - (5) the list of shareholders entitled to dividends shall be fixed on 1 June 2015 at 11.59p.m. (23:59);
  - (6) the payment of dividends will start on 1 July 2015;
  - (7) 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 Abat Nurseitov, the Chief Executive Officer and the chair of the Management Board of the Company, shall take steps required for this resolution to be implemented.

**Item 3.** Ms Asel Kaliyeva, the Director of Investor Relations Department, was given the floor. She reported that pursuant to Article 10:29 and subclause (41) Article 12:2 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. The 2014 annual report is hereby brought to the attention of shareholders. The Company's annual report for 2014 is available at [www.kmgep.kz](http://www.kmgep.kz) or provided upon request from shareholders.

This matter was put to a vote. The total number votes was 58,627,136 votes.

**Votes:**

<b>For</b>	58,612,544 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	14,592 votes.

**A majority decision was made to approve the annual report for 2014.**

**Item 4.** Mr Aidar Zhexenbiyev, the Company Secretary, was given the floor. He reported that pursuant to clause (2) of Article 35 of the Act and Article 10:3 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. There were no such complaints from Company's shareholders in relation to actions taken by the Company or its officers in 2014.

This matter was put to a vote. The total number votes was 58,627,136 votes.

**Votes:**

<b>For</b>	58,623,760 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	3,376 votes.

**A majority decision was made to take the information under advisement.**

**Item 5.** The Chair of the Meeting Mr Christopher Hopkinson spoke on the matter. He reported that in 2014, only the independent directors from amongst the directors were compensated for their involvement in the performance of the Board of Directors and its Committees. The total amount of compensation to the independent directors was 157,128.1 thousand (one hundred fifty-seven million one hundred twenty-eight thousand) tenge including taxes, specifically:

51,700.3 thousand (fifty one million seven hundred thousand) tenge to Edward Walshe including taxes; 53,727.5 thousand (fifty-three million seven hundred twenty-seven thousand) tenge to Philip Dayer including taxes; and 51,700.3 thousand (fifty-one million seven hundred thousand) tenge to Alastair Ferguson including taxes. The compensation for the independent directors has been determined by annual general meeting of shareholders held on 14 April 2014. 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 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.

This matter was put to a vote. The total number votes was 58,627,136 votes.

**Votes:**

- For** 58,571,849 votes;
- Against** 51,911 votes;
- Abstained** 3,376 votes.

**A majority decision was made to take the information under advisement.**

There being no further business the meeting was closed. The chairman thanked the shareholders and their representatives for participation.

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

Chair of the General Meeting of Shareholders \_\_\_\_\_ Christopher Hopkinson

Secretary of the General Meeting of Shareholders \_\_\_\_\_ Aidar Zhexenbiyev

Members of the Counting Committee: \_\_\_\_\_ Yerden Raimbekov

\_\_\_\_\_ Gulnara Ayaganova

\_\_\_\_\_ Aigul Aliakparova

On behalf of the Shareholder  
holding more than 10% of  
Common Shares

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Damir Teberikov

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On behalf of the Shareholder  
holding more than 10% of  
Common Shares

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Aizhan  
Amanzholova

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