

**Materials for the Extraordinary General Meeting of Shareholders of  
KazMunaiGas Exploration Production JSC (“Company”)  
14 April 2014**

An extraordinary general meeting of shareholders (“EGM”) has been called pursuant to resolution adopted on 28 January 2014 by the Board of Directors of KazMunaiGas Exploration Production JSC (“KMG EP” or “Company”). The EGM is to be held on 14 April 2014 at: 17 Kabanbay Batyr, Astana at 10:30AM with the following agenda:

On 28 January 2014 the Board of Directors of KazMunaiGas Exploration Production JSC (“KMG EP” or “Company”) called an extraordinary general meeting of shareholders (“EGM”) for 14 April 2014 to be held at: 17 Kabanbay Batyr, Astana at 10:30AM with the following agenda:

- 1. Appointment of members to the Board of Directors;**
- 2. Amount and terms of compensation package for the members of the Board of Directors of KMG EP.**

Pursuant to Article 10.16 of the Company’s Charter, the notice of the EGM was published in the *Kazakhstanskaya Pravda* and *Yegemen Kazakhstan* newspapers on 8 February 2014.

## **1. Appointment of members to the Board of Directors**

Pursuant to the resolution adopted by the extraordinary general meeting of Company's shareholders adopted on 16 April 2013, the term of the Board was set at three years, i.e. through 15 April 2014.

The EGM is held following a resolution adopted by the Company's Board on 28 January 2014. The notice of the EGM was published in the *Kazakhstanskaya Pravda* and *Yegemen Kazakstan* newspapers on 8 February 2014 (pursuant to Article 10.16 of the Company's Charter). Pursuant to clause 3.8 of the Provisions on the Company's Board (as approved by the general meeting of shareholders on 30 October 2007) ("Board Provisions"), 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. Within the above time period, one proposal was received, from major shareholder Joint-Stock Company National Company KazMunaiGas ("NC KMG"). The following candidates are nominated for appointment to the Board:

- (1) Daniyar Berlibayev – representative from NC KMG (chairman of the Board of Directors);
- (2) Timur Bimagambetov - representative from NC KMG;
- (3) Asiya Syrgabekova – representative from NC KMG;
- (4) Yerzhan Zhangaulov – representative from NC KMG;
- (5) Abat Nurseitov – Chief Executive Officer (chairman of the Management Board of KazMunaiGas Exploration Production JSC);
- (6) Philip Dayer - independent director;
- (7) Edward Walshe - independent director;
- (8) Alastair Ferguson - independent director.

The information on the nominees is enclosed herewith. Mr. Edward Walshe has been independent director of the Company from 2006, and Mr. Philip Dayer from 2010, and Mr. Ferguson from 22 October 2013.

Pursuant to clause 8 of Article 11.1 of the Company's Charter, it is within the exclusive authority of the general meeting of shareholders to set the number of directors, determine the term of office and appoint and remove directors.

It is proposed that the powers of the new Board shall be set at one year. This resolution is to be voted on by a simple majority of votes of the total number of voting shares of the Company present at the meeting (pursuant to article 11.2 of the Charter).

Therefore the following resolution is proposed to shareholders:

Appoint as directors of the Board of Directors of Joint-stock Company KazMunaiGas Exploration Production and set the term for powers of the Board of Directors at one year (through 13 April 2015):

- (1) Daniyar Berlibayev – representative from NC KMG;
- (2) Timur Bimagambetov - representative from NC KMG;
- (3) Asiya Syrgabekova – representative from NC KMG;
- (4) Yerzhan Zhangaulov – representative from NC KMG;
- (5) Abat Nurseitov – Chief Executive Officer (chairman of the Management Board of KazMunaiGas Exploration Production JSC);
- (6) Philip Dayer - independent director;
- (7) Edward Walshe - independent director;
- (8) Alastair Ferguson - independent director;

## **2. Amount and terms of compensation package for the members of the Board of Directors of KMG EP**

Pursuant to clause 8 of Article 11.1 of the Company's Charter, it is within the exclusive authority of the general meeting of shareholders to determine the amount and terms of compensation for the directors of the Board, including independent directors. It is proposed to the EGM to retain the compensation package as determined by the general meeting of shareholders on 25 May 2010.

Therefore the following resolution is proposed to shareholders:

1. To set the following amount and terms of compensation to members of the Board of Directors, independent directors from the date of their appointment to the Company's Board of Directors:

- (1) Annual fee - 150,000 US dollars per annum
- (2) Participation in meetings of the Board of Directors, per meeting:  
Physical attendance - 10,000 US dollars  
Telephone/video attendance - 5,000 US dollars
- (3) Committee chairmanship, per annum:  
Audit Committee - 25,000 US dollars  
Strategic Planning Committee - 15,000 US dollars  
Remuneration Committee - 15,000 US dollars
- (4) INED Meetings fee - 2,500 US dollars per meeting

2. Authorize the chairman of the Company's Board of Directors to sign contracts with the independent directors on behalf of the Company on the above terms and conditions.

*End of resolutions.*

Detailed information can be obtained at the offices of KazMunaiGas Exploration Production at Office 1207, Kabanbay Batyr Avenue 17, Astana, on business days from 1 April 2013 from 9-00 am to 6-30 pm or through the Company's website: [www.kmgep.kz](http://www.kmgep.kz).

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Daniyar Berlibayev
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
0 (as at 14 March 2014)
- 4) Education:  
Law, Al Farabi Kazakh State University (1985-1992)
- 5) Affiliation to the Company:  
Officer of the Company and officer of affiliated parties of the Company
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Deputy Chairman of the Management Board for Corporate Governance of National Company KazMunayGas from November 2013 up to date;  
First Deputy Chairman of the Management Board for Corporate Governance; member of the Management Board of National Company KazMunayGas;  
Managing Director for Gas Projects of National Company KazMunayGas – 2011-2012;  
General Director of KazTransGaz between February and October 2011  
General Director of KazMunayGas Trade House
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
Affiliated to the Company
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Timur Bimagambetov
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
0 (as of 14 March 2014)
- 4) Education:  
Mining Engineer, Kazakh Polytechnic Institute (1973-1978)
- 5) Affiliation to the Company:  
Officer of the Company and officer of affiliated parties of the Company
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Managing Director for Operational Production Assets at National Company KazMunaiGas Joint Stock Company from November 2013;  
Deputy Chairman of the Management Board for Production and Technical Development, Member of the Management Board, National Company KazMunaiGas Joint Stock Company;  
General Director, LLP N Operating Company – 2009-2012;  
Executive Director, National Company KazMunaiGas Joint Stock Company – 2008-2009  
  
Member of the Board of Directors, JSC Mangistaumunaigas – February 2012 - up to date,  
Chairman of the Board of Directors, JSC Mangistaumunaigas – April 2012 - up to date;  
Chairman of the Board of Directors, JSC Offshore Oil Company KazMunaiTeniz – April 2012 - up to date;  
Chairman of the Supervisory Council, LLP Kazakhoil Aktobe – April 2012- up to date;  
Chairman of the Supervisory Council, LLP Aktaunefteservis – March 2012- up to date.
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
Affiliated to the Company
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Asiya Syrgabekova
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
12,190 global depositary receipts (as of 14 March 2014)
- 4) Education:  
Economist, Kirov Kazakh State University (1982)  
Candidate of Economics (PhD equivalent), Moscow Finance Institute (1987)
- 5) Affiliation to the Company:  
Officer of the Company and officer of affiliated parties of the Company
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Managing Director for Investment and Risk Management at National Company KazMunayGas from November 2013;  
Finance Director, National Company KazMunayGas from June 2009;  
Managing Director for Economics and Finance, National Company KazMunayGas – January 2009 - June 2009  
First Deputy General Director, LLP KazRosGaz LLP – January 2008 - January 2009;  
Member of the Company's Board of Directors – July 2006 - January 2008 and March 2010 - up to date;  
Member of the Board of Directors of KazMunayGas Processing & Marketing – September 2009 - up to date.
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
Affiliated to the Company
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Abat Nurseitov
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
0 (as of 14 March 2014)
- 4) Education:  
Mining Engineer, Kazakh Polytechnic Institute (1981-1986)  
Economist, Kyzylorda State University (2003)
- 5) Affiliation to the Company:  
Officer of the Company and officer of affiliated parties of the Company
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Chief Executive Officer, Chairman of the Management Board of the Company – January 2013 - up to date;  
Deputy CEO for Operations at KMG EP – January 2012 - January 2013  
Technical Director – November 2009 - January 2013  
Chairman of the Board of Directors, JSC Embamunaigas – September 2012 - up to date;  
Chairman of the Board of Directors, JSC Ozenmunaigas – June 2012 - up to date.
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
Affiliated to the Company
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Yerzhan Zhangaulov
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
1,446 shares and 5 global depository receipts (as at 14 March 2014)
- 4) Education:  
Law, Karaganda State University (1992)  
Economics, Al Farabi Kazakh State University (2003)
- 5) Affiliation to the Company:  
Officer of the Company and officer of affiliated parties of the Company
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Managing Director for Legal Support of National Company KazMunayGas from November 2013;  
Head of Legal Team, member of the Management Board of National Company KazMunayGas from June 2009  
Managing Director for Legal Support of National Company KazMunayGas – May 2006 - June 2009  
Was a member of Company's Board of Directors between June 2006 and 25 March 2013
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
Affiliated to the Company
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed



Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Philip Dayer
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
0 (as of 14 March 2014)
- 4) Education:  
Bachelor of Jurisprudence, King's College (1973)  
Associate of the Institute of Chartered Accountants (1976)  
Fellow of the Institute of Chartered Accountants (1982)
- 5) Affiliation to the Company:  
Officer of the Company (independent director)
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Independent Director and Audit Committee Chairman, The Parkmead Group – December 2010 – up to date  
Independent Director and Audit and Remunerations Committees Chairman, the Company's Board – May 2010 – up to date  
Independent Non-executive Director and Audit Committee Chairman, Navigators Underwriting Agency PLC – 2009 – up to date  
Senior Independent Non-executive Director and Remunerations Committee Chairman, AVEVA Group PLC – 2008 – up to date  
Chairman, IP Plus PLC – 2005 – up to date  
  
Independent Non-executive Director and Audit and Remunerations Committees Chairman, Cadogan Petroleum PLC – 2008 - August 2011  
Independent Non-executive Director and Audit Committee Chairman, Dana Petroleum PLC – 2006 - October 2010  
Independent Director, Arden Partners PLC – July 2006 - July 2010
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
None
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Edward Thomas Walshe
- 2) Shareholder proposing the nominee:  
National Company KazMunayGas Joint Stock Company  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
6,828 global depositary receipts (as of 14 March 2014)
- 4) Education:  
PhD Solid State Chemistry  
Professional Development Program in Management, Harvard University (1990)
- 5) Affiliation to the Company:  
Officer of the Company (independent director)
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
Independent Director, Company's Board from 2006 – up to date;  
Independent Non-Executive Director of Bateman-Litwin BV – 2006-2009  
CEO, Eddie Walshe Consulting Ltd – 2002-2010
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
None
- 8) Any unexpunged or unspent conviction  
None
- 9) Consent of the nominee for the appointment to the Board  
Agreed

Information about the nominee to the Board of Directors of  
KazMunaiGas Exploration & Production JSC ("Company")

- 1) First name, last name:  
Alastair Ferguson
- 2) Shareholder proposing the nominee:  
Joint Stock Company National Company KazMunayGas  
(principal shareholder)
- 3) Number of Company shares owned by the nominee:  
0 (as at 14 March 2014)
- 4) Education:  
1989 – 1990. Warwick University; MBA  
1974 – 1978. Strathclyde University; BSc Hons. Mining Engineering  
Member of the Institute of Mining and Metallurgy (MIMM)  
Chartered Engineer (C Eng.)  
Member of the Engineering Institute (MEI)
- 5) Affiliation to the Company:  
N/A
- 6) Places of employment and job titles for the last three years as well as job titles the nominee held in management bodies of other legal entities for the last five years:  
  
Executive Vice President, Gas and Power, Moscow. TNK BP from June 2006 to May 2011.  
Russia Energy Advisory from September 2011.  
Founder and major shareholder of JKX Oil & Gas.  
INED to Xenon Capital Partners  
Senior Advisor at investment and advisory company with specific focus on Russian Energy Business
- 7) Relationship between the nominee and affiliates and counterparties of the Company:  
N/A
- 8) Any unexpunged or unspent conviction  
N/A
- 9) Consent of the nominee for the appointment to the Board  
Agreed