

**Materials for the annual General meeting of shareholders
of the joint stock company "Exploration Production "KazMunaiGaz"
May 27 , 2019**

The annual General meeting of shareholders (hereinafter-AGM) of joint-stock company "Exploration Production "KazMunaiGaz" (hereinafter – the Company) was convened in accordance with the decision of the Board of Directors (hereinafter – the Board of Directors) of April 26, 2019.

AGM was convened on may 27, 2019 at 10: 00 am in Nur-Sultan at: The Republic of Kazakhstan, 010000, Nur-Sultan, Kabanbay Batyr Ave., 17 (location of the Executive body of the Company), Assembly hall, 3rd floor, with the following agenda:

- 1) Approval of annual consolidated financial statements for 2018;
- 2) Approval of the procedure for distribution of company's net income for the financial year, decision on dividends payment on common and preferred shares and approval of dividend amount per 1 (one) ordinary and 1 (one) preferred share of the Company;
- 3) Approval of annual report of the Company, the annual report on work of the Board of Directors and the management Board;
- 4) Information on shareholders ' appeals to the actions of the Company and its officials and the results of their consideration in 2018;
- 5) Information on amount and composition of remuneration of members of the Board of Directors and the management Board in 2018;
- 6) Determination of quantitative composition of the Board of Directors of the Company;
- 7) Determination of term of the Board of Directors;
- 8) Election of members of the Board of Directors;
- 9) Determination of amount and conditions of remuneration and compensation of expenses to the members of the Board of Directors for performance of their duties.

Check in time of participants of AGM – 09: 00 am (Nur-Sultan time) on may 27, 2019.

Check in time of participants of AGM – 09: 00 am (Nur-Sultan time) on may 27, 2019.

In case of lack of quorum, the repeated AGM will be held at 10: 00 am. (Astana time) on may 28, 2019 with the same agenda at the same address.

- 1. Approval of annual consolidated financial statements for 2018;**

In accordance with paragraph 1 of article 76 of the Law of the Republic of Kazakhstan "On joint stock companies", the Executive body annually submits to the General meeting of shareholders the annual financial statements for the last year, the audit of which was conducted in accordance with the legislation of the Republic of Kazakhstan on audit activities, for discussion and approval. In addition to the financial statements, the Executive body shall submit an audit report to the General meeting.

Independent auditors of LLP "Ernst & young" audited the company's consolidated financial statements for 2018.

Consolidated financial statements of the Company include:

- Independent auditors' report;
- Consolidated statement of financial position;
- Consolidated statement of comprehensive income;
- Consolidated statement of cash flows;
- Consolidated statement of changes in equity;

Notes to annual consolidated financial statements.

The annual consolidated financial statements for 2018 were approved by the Board of Directors of the Company on April 26, 2019 (minutes No. 8).

Before the meeting of the Board of Directors, in accordance with the regulation of Audit Committee, these financial statements were reviewed by Audit Committee on March 6, 2019.

The company's annual consolidated financial statements and audit report are available on corporate website at www.kmgep.kz, as well as submitted at the request of shareholders.

Draft decision of shareholders:

Approve the attached annual consolidated financial statements of the Company for 2018.

2. Approval of distribution procedure of company's net income for the financial year, decision on dividends payment on common and preferred shares and approval of dividend amount per 1 (one) ordinary and 1 (one) preferred share of the Company;

In accordance with paragraph 4 of article 22 of the Law of the Republic of Kazakhstan "On joint stock companies" (hereinafter – the Law on JSC), as well as paragraph 40 of the Charter of the Company, dividends are not accrued and paid on shares that have not been placed, or were purchased by the company. According to paragraph 44 of the Charter of the Company, the amount of dividends accrued on preferred shares is not less than 25 tenge, and according to paragraph 1 of article 24 of the Law on JSC and may not be less than the amount of dividends accrued on ordinary shares for the same period.

In accordance with the consolidated financial statements prepared in accordance with IFRS, the net income of the company for 2018 - was 299 918 million tenge (~\$800 million. at the rate 374,96 KZT/USD.) The interest of JSC NC "KazMunaiGaz" (hereinafter – NC KMG) with shares of the Company as of March 01, 2019 is ~ 99.51% of the total number of outstanding shares . As of the date of fixing of shareholders list entitled to receive dividends, the number of shares in circulation and the interest of NC KMG may change after the exercise of rights on common and preferred shares of put option.

According to the Regulation on dividend policy of the Company (approved by the Board of Directors on July 25, 2006), the Board of Directors will be guided by the target level of dividend payments, which will be 15% of net income, when making recommendations to the General meeting of shareholders. The amount of dividend payments, based on the level equal to 15% of net income, is about 44 989 million tenge (~ 120 million dollars). at the rate 374,96 KZT/USD. and the dividend per share is ~43 tenge. Information on dividend payments is provided in Annex 1.

As of March 1, 2019, the consolidated funds of the Company amounted to ~277 845 million tenge (~741 million dollars). at the rate 374,96 KZT/USD. not consolidated cash amounted to ~31 122 million tenge (~83 mln. \$. at the rate 374,96 KZT/USD.)

The Company distributed a significant part of the funds among the shareholders through the announcement and implementation of proposals for redemption of all shares and GDR, as well as concluded major transaction on providing financial assistance to the principal shareholder - NC KMG for total amount - 950 billion tenge, the actual development amount of which as of March 1, 2019 amounted to 680 billion tenge.

According to paragraph 2 of article 13 of the Law on JSC , shareholders - owners of preferred shares have a preferential right to receive dividends in predetermined guaranteed amount established by the Charter of the company. According to the Charter of the Company, the amount of dividends accrued on preferred shares may not be less than 25 (twenty five) tenge per preferred share. At the same time, the General meeting of shareholders may decide not to pay dividends on ordinary shares of the Company, with the mandatory publication of such decision.

By the decision of the Board of Directors d.d. April 26, 2019 (minutes No. 8), there was made recommendation (proposal) was made to approve the procedure for distribution of the company's net income for financial year, to make a decision on dividends payment on common and preferred shares and to approve the amount of dividend per 1 (one) common and 1 (one) preferred share of the Company.

Draft decision of shareholders:

1. Approve the following order of net income distribution of the Company received by the end of 2018 in amount of 299 918 (two hundred ninety nine thousand nine hundred eighteen) million tenge:

– the amount equal to the product of dividend size for 2018 per one ordinary and one preferred share per number of relevant shares in circulation at the date of shareholders list fixing , entitled to receive dividends, to send the payment of dividends to the shareholders of the Company;

- determine the amount of dividend per ordinary share of the Company in amount of 0 (zero) tenge (*including the amount of tax payable in accordance with the legislation of the Republic of Kazakhstan*);

- determine the amount of dividend per one preferred share of the Company in the amount of 25 (*twenty five*) tenge (*including the amount of tax payable in accordance with the legislation of the Republic of Kazakhstan*).

- date and time of fixing the list of shareholders entitled to receive dividends - June 7, 2019 00 hours 00 minutes;

- date of commencement of dividend payment - July 9, 2019;

the order and form of dividend payment - according to the list of shareholders entitled to receive dividends by wire transfer to shareholders' bank accounts.

2. General Director (Chairman of the management Board) of the Company Iskaziev K. O. in the prescribed manner has to take the necessary measures for implementation of this decision.

3. Approval of annual report of the Company, the annual report on work of the Board of Directors and the management Board;

In accordance with paragraph 74 of the Charter of the Company, materials on the agenda of annual General meeting of shareholders shall include, inter alia, the annual report of the Company. In accordance with paragraph 75 of the Charter of the company the annual report of the company prepared by the management Board of the company, is approved by and is submitted to the General meeting of shareholders by the Board of Directors of the company. The annual report of the Company contains at least audited financial statements, a report on material events in the company's activities for last period, as well as description of officials responsibility for information accuracy contained in the annual report of the Company.

The approved annual report of the Company is published on corporate website of the Company.

The structure of the company's annual report for 2018 contains the following main sections:

- I. General information
- II. Key performance indicators
- III Key developments
- IV Description of key events for 2018
 1. *Tender offer of EP KMG on redemption of GDR and ordinary shares*
 2. *Delisting of GDR and ordinary shares of EP KMG from London stock exchange and Kazakhstan stock exchange*
 3. *Changes to the Charter*
 4. *Increase in number of declared ordinary shares of EP KMG by increasing the number of outstanding ordinary shares of EP KMG (net of repurchased shares)*
 5. *The program of preference shares redemption of EP KMG*
 6. *Financial assistance to KMG*
- V. Business environment
- VI. Production activity
- VII. Capital expenditure overview
- VIII. Operating results
- IX. Overview of joint ventures and associated company
- X. Corporate management
- XI. Overview of financial results

In accordance with subparagraph 9.1. section 9 of the Regulation on Board of Directors of the Company, the Board of Directors at annual General meeting of shareholders shall be submitted the report on work of the Board of Directors and management Board, including full information on issues on which decisions are taken by the Board of Directors or the management Board.

On may 22, 2018, the annual General meeting of shareholders determined the number of members of the Board of Directors - eight (8) persons and personal composition of Board of Directors for authority period, established from may 22, 2018 to may 22, 2019 inclusive.

Following the results of annual General meeting of shareholders on may 22, 2018, the following members of the Board of Directors were elected:

1. Iskaziev Kurmangazy Oryngazievich - General Director (Chairman of the Board) of the company;
2. Kuandykov Baltabek Mukhanovich - as an independent Director;

3. Ertlesova Zhannat Jurgalievna - as independent Director;
4. Zholtaev Geroi Zholtaevich - as an independent Director;
5. Karpushin Oleg Vyacheslavovich. - as a representative of JSC NC "KazMunayGaz»;
6. Karabayev Dauren Sapargaliyevich - as the representative of JSC NC "KazMunayGaz»;
7. Mukushev Ardak Zhumagulovich - as the representative of JSC NC "KazMunayGaz»;
8. Syrgabekova Asiya Narymanovna - as a representative of JSC NC "KazMunayGaz".

Following the results of the extraordinary General meeting of shareholders of July 11, 2018, in order to optimize the activities and efficiency of the Board of Directors, it was decided to reduce the number of members, defining it in the number of 4 (four) members of the Board of Directors, and to terminate powers ahead of time: Zholtaeva G. Zh. (independent non-Executive Director), Karpushina O.V. (representative of JSC NC "KazMunayGaz"), Mukushova A. Zh. (representative of JSC NC "KazMunayGaz"); Syrgabekova A. N. (representative of JSC NC "KazMunayGaz").

Thus, after the adoption of relevant decision, Karabaev D. S., Iskaziev K. O., Ertlesova Zh. D. (independent Director), Kuandykov B. M. (independent Director) remained on the Board of Directors.

In 2018, the Board of Directors held 40 meetings, including 7 meetings in person and 23 meetings in absentia.

During the year, the Board of Directors considered, among other things, the following issues:

- approval of company's budgets and business plans;
- exploration issues;
- environmental, health and safety issues;
- approval of related party transactions by the Company (transactions of JSC "Ozenmunaigaz" and JSC "Embamunaigaz"; more detailed information is provided in consolidated financial statements and in the report "Analysis of financial position and results of financial and economic activities»);
 - activity issues of legal entities, 10 and more percent of shares (shares in authorized capital) which belong to the Company;
 - on realization of oil deliveries to domestic market through the processing scheme;
 - issues on Company`s management , determination the amount of salaries and conditions of remuneration and bonuses of Board members;
 - preliminary approval of consolidated statements for 2017;
 - making proposals on the ammount of dividend at the end of 2017;
 - overview of plans and reports of internal audit service, progress in implementation of recommendations of internal audit service;
 - The efficiency of the Company;
 - on Bank limits of the Company;
 - on risk management;
 - on the company's oilfield services assets development program;
 - on repurchase of the company's preferred shares and conclusion of major transaction;
 - on provision of financial assistance to JSC NC "KazMunayGaz" and the conclusion of major transaction and interested party transaction.

The Board of Directors considered the following documents in 2018:

- approved amendments and additions to the Charter of JSC "EP "KazMunayGaz»;
- there were made changes to the risk management Policy of JSC "EP "KazMunayGaz" and approval of key risks and statements on risk appetite of JSC "EP "KazMunayGaz".
- the Regulations on remuneration of employees of JSC "EP"KazMunayGaz"were declared invalid.

The work of Company`s Board of Directors on audit, remuneration, appointments and strategic planning was carried out in accordance with the provisions on them.

In 2018, the audit Committee held 11 meetings, which addressed the following issues:

1. Financial statements:
 - a. Consideration of financial statements preparation in accordance with IFRS;

- б. Approval of quarterly and annual financial statements for disclosure on Kazakhstan and London stock exchanges;
 - в. Approval of press releases on financial statements and reviews of financial and economic performance;
 2. Internal audit:
 - а. Review and approval of the work plan of internal audit service;
 - б. Personnel matters of internal audit service;
 - в. The reports of internal audit service;
 3. Monitoring of risk management and internal control system;
 4. Compliance Issues.

The compensation Committee held 5 meetings at which there were discussed issues on making recommendations to the Board of Directors on amount and terms of remuneration to members of the Board of Directors on determining the amount of salaries and conditions of remuneration and bonuses of the members of the management Board, employees of internal audit service and corporate Secretary, about corporate efficiency Companies for 2019, bonus issues of the company's employees.

The nominating Committee held 6 meetings to consider the appointment of new members of the Board of Directors and the management Board.

The Committee on strategic planning held 3 meetings, which addressed the following issues:: on approval of adjusted separate and consolidated annual budgets for 2018 and adjusted consolidated budget regarding capital investments for 2019, approval of changes and additions to the Charter of the Company, on transfer to trust management of shares (participation shares) of the Company in authorized capitals of subsidiaries and dependent organizations.

The management Board of the Company is the Executive body, supervises the current activities of the Company.

On June 1, 2018, based on the decision of the Board of Directors of the Company, it was decided to determine the quantitative composition of the Board - 8 (eight), term limit of the management Board until 12 June 2019, and also to terminate the powers of members of the Board - Nurgalieva K. Zh. and Dreider Sh. E. and appoint Askarov B. B., Orazbekov M.A., Ileuov A.T. from 12 June 2018 ,

On October 3, 2018, based on the decision of the Board of Directors of the Company, it was decided to determine the quantitative composition of the Board - 6 (six) people and to terminate the powers of the Board members of the Company Salimgereeva M. Zh. and Abaiyldanova B. K.

In 2018, the Board held 26 meetings on regular basis, as required. During 2018, the management Board considered the most important issues related to and regulating the company's operating activities, internal procedures, management risk issues, as well as rules, regulations governing and defining internal business processes, the annual procurement plan for goods, works and services, approval of procedures governing the internal activities of the Company.

The management Board makes decisions on other issues of ensuring the Company's activities that are not within the exclusive competence of the General meeting of shareholders, the Board of Directors and officials of the Company.

The company's annual report for 2018 is available on corporate website at www.kmgp.kz, and also submitted at the request of shareholders.

Draft decision of shareholders:

To approve the attached annual report of the Company and the report on work of the Board of Directors and the management Board for 2018.

4. Information on shareholders ' appeals to the actions of the Company and its officials and the results of their consideration in 2018;

In accordance with sub-paragraph 2 of article 35 of the Law on JSC and sub-paragraph 49 of the Charter of the Company, the annual General meeting of shareholders considers the issue of shareholders ' appeals to the actions of the company and its officials and the results of their consideration.

On April 10, 2018, the Board of Directors of the Company recommended not to pay dividends on ordinary shares at the end of 2017, while on preferred shares to pay the amount of dividend per share (25 tenge) guaranteed by the Charter of the Company. On May 22, 2018, the General meeting of shareholders of the Company adopted the relevant decision on payment of dividends per 1 (one) ordinary and 1 (one) preferred share of the Company.

On April 26, 2018, JSC "life insurance Company "Asia Life" received an appeal regarding the issue of recommendation to the General meeting of shareholders on dividends payment on preferred shares of the Company at the end of 2017 in amount of at least 15% of the company's profit after tax with reference to the dividend policy of the Company or, in case of decision adoption by the General meeting of shareholders according to the current recommendation of the Board of Directors, compensation for losses. According to the results of appeal consideration on May 16, 2018 (Ref. No. 79-07/1609) the Company sent a reply on compliance of above recommendation of the Board of Directors of EP KMG with the provisions of JSC Law and Charter of the Company on payment of dividends on preferred shares and the procedure for making decision on payment of dividends on shares of the Company.

Similar on contents, appeals were admitted :

- On April 20, 2018 chairmen of the Board of JSC "Samruk-Kazyna", JSC NC "KazMunayGaz" and members of the Board of Directors of JSC "EP "KazMunaiGas" received a collective appeal from 4857 holders of preferred shares (Batayev A., Ershibaev P., Kudebaev B., Kolzhanov T., Ibragimov, A., Kurimov D., Uteshev D., Baktygaliev B.). The Chairman of the Board of Directors of EP KMG Bataev A. sent a comprehensive response Ref. No. 107-31/2256 d.d May 4 2018;
- On April 23 , 2018 there was received a request from Zhaksymbetov M. I. Provided the answer from the Company Ref. No. 79-07/1606 d.d. May 16, 2018;
- On April 24, 2018 we received the appeal from Zhusupbekova I. M. There was given the response from the Company ex. №79-07/1607 d.d. may 16, 2018;
- On April 24, 2018 we received the appeal from Makeev R.B. There was given the response from the Company ex. №79-07/1608 d.d. may 16, 2018;
- On April 24 , 2018 there was received an appeal from Sergazina L.Zh. The Company provided the response ex. №79-07/1610 d.d. may 16, 2018;

The decision of the Board of Directors of the Company d.d. August 10, 2018 (minutes No. 30) approved the purchase of preferred shares of EP KMG at the price of 12,800 (twelve thousand eight hundred) tenge per preferred share.

On October 15, 2018 at the extraordinary General meeting of shareholders it was decided to increase the number of declared ordinary shares of the Company (excluding ordinary shares purchased by the Company).

On October 30, 2018 the Company "Lancrenan Investments Limited" sent a statement of the owner of the preference shares on presentation of shares for repurchase under pressure, in order to avoid more losses and injustice of repurchase price.

On November 6, 2018, the Association sent a response letter to the Company "Lancrenan Investments Limited" on behalf of the General Director (Chairman of the Board) of the company with the explanation that the decision of extraordinary General meeting of shareholders on October 15, 2018, was made subject to compliance with the requirements of the Law of the Republic of Kazakhstan "On joint stock companies" and clarification of National Bank of the Republic of Kazakhstan. As a result of the decision to change the rights of holders of preferred shares of the Company to receive the annual minimum guaranteed dividend of at least 25 (twenty

five) tenge per share in accordance with the Charter of the Company has not occurred and, accordingly, the procedure for calculating the dividend on preferred shares has not changed.

In accordance with the requirements of subparagraph 1) of paragraph 4 of article 13 of the Law "On joint-stock companies", a preferred share provides the shareholder with the right to participate in the management of the company, if the General meeting of shareholders considers the issue, the decision on which may limit the rights of the shareholder owning preferred shares, established by the above norm and are exhaustive.

With regard to financial assistance in favor of major shareholder of JSC NC "KazMunaiGaz" it is noted that it was provided on terms of urgency and repayment. The decision on this issue was made in compliance with the provisions and requirements of the Charter of the Company and the current legislation of the Republic of Kazakhstan.

Draft decision of shareholders:

Acknowledge provided information.

5. Information on amount and composition of remuneration of members of the Board of Directors and the management Board in 2018;

In accordance with paragraph 2 of article 35 of the Law on JSC and paragraph 49 of the Charter of the Company at annual General meeting of shareholders, the Chairman of the Board of Directors shall inform the shareholders on amount and composition of remuneration of members of the Board of Directors and the management Board.

In 2018, from eight members of the Board of Directors, only independent Directors of The Board of Directors received remuneration for their work. In 2018, the total amount of accrued remuneration to independent Directors of the Board of Directors of the Company amounted to 128 159 thousand tenge (including the amount of PIT at the rate of 10%), including: Philip Dayer – 43 163 thousand tenge, Alaster Ferguson – 34 774 thousand tenge, Francis Sommer – 32 121 thousand tenge, Kuandykov Baltabek Muchanovich – 8 136 thousand tenge, Ertlesova Zhannat Jurgalieвна – 8 136 thousand tenge, Zholtaev Geroi Zholtaevich – 1 828 thousand tenge.

The amount and conditions of remuneration to independent Directors for the period from May 23, 2017 to May 23, 2018, inclusive, was determined by the annual general meeting of shareholders on May 23, 2017. Until may 23, 2018, the remuneration consisted of annual remuneration, remuneration for participation in in-person meetings of the Board of Directors, remuneration for participation in meetings of the Board of Directors by telephone and video conferencing, remuneration for participation in meetings of independent members of the Board of Directors, remuneration for acting as Chairman of audit Committee, the remuneration Committee, the nomination Committee and the strategic planning Committee of the Board of Directors.

The amount and terms of payment of remuneration to independent Directors are determined by the annual General meeting of shareholders **on may 22, 2018**. Since may 22, 2018, monthly fee of 1 000 000 (one million) tenge has been determined for each independent Director of the Company. Other members of the Board of Directors do not receive remuneration, but are entitled to compensation for expenses related to the performance of their duties as members of the Board of Directors.

The Board of Directors as at 31 December 2018 consists of four members:

Karabayev Dauren Saparaliyevich, Chairman of the Board of Directors, Deputy Chairman of the management Board – financial Director of JSC national company "KazMunayGaz".

Members of the Board of Directors:

1. Iskaziev Kurmangazy Oryngazievich - General Director (Chairman of the Board) of the company;

Kuandykov Baltabek Mukhanovich (independent non-Executive Director);

Ertlesova Zhannat Jurgalieвна (independent non-Executive Director).

Information on amount and composition of remuneration of the company's management Board members is placed on Depository of financial statements and in Annual report of the Company.

Draft decision of shareholders:

Acknowledge provided information.

6. Determination of quantitative composition of the Board of Directors of the Company;

In accordance with subparagraph 5) of paragraph 1 of article 36 of the Law on JSC, subparagraph 10) of paragraph 103 of the Charter of the Company, the exclusive competence of General meeting of shareholders is to determine the number of members, the authorities term of the Board of Directors, election of its members and early termination of their powers, approval of the regulations on it, as well as determining the amount and conditions for payment of remuneration and compensation of expenses to members of the Board of Directors for the performance of their duties.

In accordance with paragraph 114 of the Charter of the Company, the number of members of the Board of Directors (in absence of temporary vacancies) shall be at least 4 (four) people, including independent Directors and the General Director (Chairman of the Board).

In accordance with the recommendation of the Board of Directors of the Company, the following draft decision of shareholders is submitted for consideration:

Draft decision of shareholders:

Determine the quantitative composition of the Board of Directors – 4 (four) people.

7. Determination of term of the Board of Directors;

In accordance with subparagraph 5) of paragraph 1 of article 36 of the Law on JSC, subparagraph 10) of paragraph 103 of the Charter of the Company, the exclusive competence of General meeting of shareholders is to determine the number of members, the authorities term of the Board of Directors, election of its members and early termination of their powers, approval of the regulations on it, as well as determining the amount and conditions for payment of remuneration and compensation of expenses to members of the Board of Directors for the performance of their duties.

In accordance with the recommendation of the Board of Directors of the Company, the following draft decision of shareholders is submitted for consideration:

Draft decision of shareholders:

Determine the authorities term of the Board of Directors - 1 (one) year (from may 27, 2019 to may 27, 2020 inclusive).

8. Election of members of the Board of Directors;

In accordance with subparagraph 5) of paragraph 1 of article 36 of the Law on JSC, subparagraph 10) of paragraph 103 of the Charter of the Company, the exclusive competence of General meeting of shareholders is to determine the number of members, the authorities term of the Board of Directors, election of its members and early termination of their powers, approval of the regulations on it, as well as determining the amount and conditions for payment of remuneration and compensation of expenses to members of the Board of Directors for the performance of their duties.

The notice of AGM was published on April 26, 2019 in Newspapers "Kazakhstanskaya Pravda" and "Egemen Kazakstan" (in accordance with paragraph 6 of the Charter of the Company). In accordance with paragraph 3.8 of the Regulations on the Board of Directors of JSC "Exploration Production" KazMunaiGaz " (approved by the General meeting of shareholders of the Company on October 30, 2007) (hereinafter – the Regulation on the Board of Directors), shareholders may submit proposals on nomination of candidates to the Board of Directors within 15 days from the date of notification of shareholders on holding the General meeting of shareholders, the agenda of which includes the election of members of the Board of Directors. The Board of Directors may submit proposals on candidates to the Board of Directors not later than the date of completion of preparation of materials on the agenda of General meeting of shareholders for review by shareholders, but in any case not later than 10 (ten) days before the date of the meeting.

According to the decision of the Board of Directors dated April 26, 2019 (minutes No. 8), taking into account the proposals and recommendations of the Committee on appointments of the Board of Directors to the Board of Directors, the following candidates were proposed and approved:

- 1 Iskaziev Kurmangazy Oryngazievich - General Director (Chairman of the Board) of the Company;
- 2 Kuandykov Baltabek Mukhanovich - as an independent Director;
- 3 Ertlesova Zhannat Jurgaliyevna - as an independent Director;
- 4 Karabaev Dauren Saparaliyevich - as a representative of JSC NC "KazMunaiGaz»;

Detailed information on the candidates (subject to the requirements of paragraph 2, article 44 of the Law on JSC , paragraphs 73 and 115 of the Charter of the Company) is attached.

9. Determination of the amount and conditions of remuneration and compensation of expenses to members of the Board of Directors for the performance of their duties

In accordance with subparagraph 5) of paragraph 1 of article 36 of the Law on JSC, subparagraph 10) of paragraph 103 of the Charter of the Company, the exclusive competence of General meeting of shareholders is to determine the number of members, the authorities term of the Board of Directors, election of its members and early termination of their powers, approval of the regulations on it, as well as determining the amount and conditions for payment of remuneration and compensation of expenses to members of the Board of Directors for the performance of their duties.

According to the decision of the Board of Directors d.d. may 26, 2019 (minutes No. 8), taking into account the proposals and recommendations of remuneration Committee of the Board of Directors, the terms of remuneration to members of the Board of Directors are recommended.

Draft decision of shareholders:

1. Determine the following amounts and conditions of remuneration to members of the Board of Directors – independent Directors from the date of their election to the Board of Directors:

Monthly remuneration in amount of 1 000 000 tenge (excluding individual income tax and mandatory pension contributions) to each independent Director of the Company.

2. Determine the following amounts and conditions of compensation of expenses to members of the Board of Directors of the Company for performance of their duties:

1) for independent Directors - in accordance with **the attached draft contracts concluded with them;**

2) for other members of the Board of Directors - the following expenses related to the activities of the Board of Directors and its committees:

- for hire of premises - at cost;
- travel to meeting/meeting places and back to permanent employment/permanent residence - business class fare;
- transfer from/to the airport/train station to/from the hotel - at actual costs;
- use of international (cellular) communication, Fax, video conferencing, conference calls - at actual costs.

Compensation is subject to the provision of supporting documents to the Company on costs incurred.

3. To authorize the Chairman of the Board of Directors of the Company to sign on behalf of the Company contracts with independent Directors of the Company on the above terms.

End of decisions.

For more information, Please contact The office of JSC "Exploration Production" KazMunaiGaz" at: Nur Sultan, Kabanbay Batyr Avenue, 17, office 1202 from 9: 00 to 18: 30 , as well as on website of the Company: www.kmgep.kz.

Information on the candidate for the Board of Directors
of the joint stock company "Exploration Production "KazMunaiGaz"

- 1) Surname, name, patronymic:
Iskaziev Kurmangazy Oryngazievich
May 11.1965
- 2) General Director (Chairman of the Board) of joint-stock company "Exploration Production "KazMunaiGaz»
- 3) Number of shares of the Company owned by the candidate: No
(as of April 1 2019)
- 4) Information on education:
Kazakh Polytechnic Institute named after V. I. Lenin, Geology of oil and gas, Mining engineer-geologist, 1993;
Tomsk Polytechnic University, Candidate of geological and mineralogical Sciences, 2006.
- 5) Information about affiliation to the Company: not affiliated
- 6) Information on places of work and positions held by the candidate within the last three years, and also the positions held by the candidate in governing bodies of other legal entities for the last five years:

September 2015 - to the present time joint stock company "Exploration Production "KazMunaiGaz", General Director (Chairman of the Board)

January 2015 – September 2015 – joint-stock company "Embamunaigaz", General Director (Chairman of the Board)

December 2013 - January 2015 – joint stock company "national company "KazMunaiGaz", Managing Director for Geology – chief geologist

November 2013 – December 2013 - joint stock company "national company "KazMunaiGaz", Managing Director for non-operational extractive assets

February 2012 – November 2013 - joint stock company "national company "KazMunaiGaz", Deputy Chairman of the Board for Geology and promising projects

June 2010 – February 2012 - joint stock company "national company "KazMunaiGaz", Chief geologist

February 2008 – June 2010 - joint stock company "national company "KazMunaiGaz", Managing Director for Geology, Geophysics and reservoirs

7) Information on candidate's relations with the company's affiliates and counterparties: Is an affiliated person in relation to the Company

8) Information on the presence of outstanding or not withdrawn criminal record in accordance with the legislation : No

9) Information on the consent of candidate for nomination to the Board of Directors of the Company

Agreed

**General Director
(Chairman of the Board)
JSC "EP "KazMunaiGaz»**

K. Iskaziev

Information on the candidate for the Board of Directors
of the joint stock company "Exploration Production "KazMunaiGaz"

- 1) Name, surname: Kuandykov Baltabek Mukhanovich

August 21, 1948.

- 2) Independent Director of joint stock company "Exploration Production "KazMunaiGaz»
- 3) Number of shares of the Company owned by the candidate: no
- 4) Information on education:

1971. Kazakh Polytechnic Institute named after V. I. Lenin, Alma-ATA, Kazakh SSR, faculty of Oil, specialty: petroleum geologist
- 5) Information on affiliation to the Company: not affiliated
- 6) Information on places of work and positions held by the candidate within the last three years, and also the positions held by the candidate in governing bodies of other legal entities for the last five years:

Since February, 2006 till now works in the private company Meridian petroleum LLP as the President of the company, Almaty, Kazakhstan
- 7) Information on candidate's relations with the company's affiliates and counterparties: no
- 8) Information on the presence of outstanding or not withdrawn criminal record in accordance with the legislation : no criminal record
- 9) Information on the consent of the candidate for nomination to the Board of Directors of the Company: agreed

B. Kuandykov

Information on the candidate for the Board of Directors
of the joint stock company "Exploration Production "KazMunaiGaz"

- 1) Surname, name, patronymic: Ertlesova Zhannat Jurgaliyevna, date of birth - 1956
- 2) Independent Director of joint stock company "Exploration Production "KazMunaiGaz»

- 3) Number of shares of the Company owned by the candidate: no
- 4) Information on education:
Kazakh state University named after S. Kirov, 1974-1978, mathematician.
- 5) Information on affiliation to the Company:
Member of the Board of Directors, independent Director of JSC "Embamunaigaz»
Member of the Board of Directors, independent Director of JSC "Embamunaigaz»
- 6) Information on places of work and positions held by the candidate within the last three years, and also the positions held by the candidate in governing bodies of other legal entities for the last five years:

2005 – present - Chairman of the Governing Council of the Association of taxpayers of Kazakhstan
2016 - present - Chairman of the Council of the Association for the development of competition and commodity markets
2016-present - Chief economist of LLP "Kazakhstan Institute for evaluation and development of competition»
2016-present - Member of the Public Council of the Ministry of national economy
2016-present - Member of the Public Council of the Agency for civil service Affairs and anti-corruption
2016-present - Member of the Council for the protection of the rights of entrepreneurs and anti-corruption national chamber of entrepreneurs
2016-present - Member of the Board of the Committee on regulation of natural monopolies, protection of competition and consumer rights of the Ministry of national economy of the Republic of Kazakhstan
2016-present - Member of the Board of Directors, independent Director of JSC "Institute of economic research»
2016-present - Member of the Board of Directors, independent Director of JSC "health insurance Fund»
2016-present - Member of the Board of Directors, independent Director of JSC "Embamunaigaz" and JSC "Ozenmunaigaz"»
2016-present member of the Board of Directors, independent Director of JSC "NARKHOZ University»
- 7) Information on candidate's relations with the company's affiliates and counterparties:
Member of the Board of Directors, independent Director of JSC "Embamunaigaz»
Member of the Board of Directors, independent Director of JSC "Embamunaigaz»
- 8) Information on the presence of outstanding or not withdrawn criminal record in accordance with the legislation : no
- 9) Information on the consent of the candidate for nomination to the Board of Directors of the Company: Agreed

Zh. Ertlesova.

Information on the candidate for the Board of Directors
of the joint stock company "Exploration Production "KazMunaiGaz"

- 1) Surname, name, patronymic: Karabayev Dauren Sapargaliyevich, June 11 , 1978
- 2) Representative of the joint stock company "national company "KazMunaiGaz»
- 3) Number of shares of the Company owned by the candidate: No (as of 01 may 2019)

- 4) Information on education:
Economist, specialty "International economic relations", Kazakh State Academy of Management (1999)
Economist, master of science in Finance, University of Texas & Lowry Mays School of Business (2001)
- 5) Information on affiliation to the Company:
Is an official of the Company and an official of affiliated persons of the Company
- 6) Information on places of work and positions held by the candidate within the last three years, and also the positions held by the candidate in governing bodies of other legal entities for the last five years:

Executive Vice President – financial Director of the national company "KazMunaiGaz" since October 2016
Deputy Chairman of the Board of Halyk Bank of Kazakhstan from March 2007 to June 2016
Head of credit Department of ABN AMRO Bank Kazakhstan JSC from 2003 to 2004
- 7) Information on candidate's relations with the company's affiliates and counterparties:
Is an affiliated person in relation to the Company
- 8) Information on the presence of outstanding or not withdrawn criminal record in accordance with the legislation :
No criminal record
- 9) Information on the consent of the candidate for nomination to the Board of Directors of the Company: Agreed

**Deputy chairman
Of the Management Board – chief financial director
JSC "NC "KazMunaiGaz»**

D. Karabaev