

KazMunaiGas Exploration Production JSC
24 September 2008, 10.30
Extraordinary General Meeting Resolutions*

1. Appointment of an auditor for KazMunaiGas Exploration Production JSC (hereinafter, “the Company”).

Pursuant to clause 2.1.4 of the Board’s Audit Committee Charter, the Audit Committee (Minutes No. 12 dated 14 May 2008) made recommendations to the Board of Directors for further submission to the Company shareholders at the general meeting of shareholders (hereinafter, the “Meeting”) as to the appointment of Ernst & Young as the Company’s auditor for 2008.

The Board of Directors (resolution 5 dated 28 May 2008) set KZT 137,634,000 (one hundred thirty-seven million six hundred and thirty-four thousand) Tenge (including VAT) as a payment for the financial statement auditing services for the year ended 31 December 2008.

Pursuant to clause 11.1.9 of the Company Charter, appointment of the Company’s auditor pertains to the exclusive competence of the Meeting.

Resolution:

To appoint Ernst & Young as the Company auditor to conduct external audit for 2008.

2. Amendments in the Company Charter.

The Board of Directors (minutes No.15 dd 28 May 2008) resolved to approve Risk Management Policy of KazMunaiGas Exploration Production JSC, and Treasury Policy of KazMunaiGas Exploration Production JSC.

To ensure it has stable business, reaches its goals and sustains growth and profitability, since 2007 the Company has been implementing a risk management system for the following benefits:

- 1) reduce its potential losses and stabilize financial indicators;
- 2) improve its return on capital;
- 3) improve its financial stability;
- 4) comply with stock exchange requirements;
- 5) improve its corporate governance rating;
- 5) improve its credit rating and reduce debt cost;
- 6) reduce its risk management costs and insurance costs; and
- 7) improve its business reputation by disclosing risk management information.

One of the important business conditions is an efficient risk management policy. In this regard, in 2007 the Company developed risk management policy attached hereto.

The Risk Management Policy sets out the principles of risk management system construction which ensures strategic and operational stability of the Company business by maintaining the risk level within the set limits.

The Treasury Policy of the Company is a set of principles and provisions the Company follows in the cash management process. This Policy establishes the principles the Company should adhere to in cash flow planning and liquidity management, working capital management, bank accounts management, cash management, placement of excess cash on bank deposits and purchase of securities, financial assistance, payments, and funds raising.

In view of the aforesaid, the Company proposes to add to the competence of the Board of Directors risk management and cash management issues, and to amend the Company Charter as follows:

1. Clause 12.2. of section 12 “Board of Directors” shall be amended with subclauses 40-1) and 40-2) read as follows:

“40-1) determination of the strategy and risk management policy of the Company;”.

“40-2) issues specified in the Risk management Policy of KazMunaiGas Exploration Production JSC;”.

2. Clause 12.2. of section 12 “Management Board” shall be amended with subclause 13.5-1. read as follows:

“13.5-1. In order to prompt decisions on risk management-relating issues there may be established a risk management committee under the Management Board. The procedure for establishment and activity of the risk management committee, its membership, and competence shall be determined by the Company’s Management Board.”

Pursuant to article 36.1.1 of the Joint Stock Companies Law (hereinafter, “the Law”), and subclause 11.1.1 of the Company Charter, any amendments to the Charter, or approval of its updated version, pertain to the exclusive competence of general meeting of shareholders.

Resolution:

1. To introduce the amendments in the Company Charter attached herewith.

2. A. Balzhanov, the Company CEO (Chairman of the Management Board), in the prescribed manner to ensure registration of the attached amendments in the law enforcement agencies of the Republic of Kazakhstan.

End of resolutions.

*More information is available at the office of the Company at: 2, Tauelsizdik str., office 1006, Astana, starting from July 08, 2008 on working days from 9:00am through 6:30pm, as well as on our web site www.kmgep.kz.

*Prepared by M. Nakipbekov
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