

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

The extraordinary general meeting of shareholders (hereinafter referred to as "Meeting" or "EGM") of KazMunaiGas Exploration Production Joint Stock Company (hereinafter referred to as "Company") located at: Kabanbay Batyr, 17, Astana, 010000, Kazakhstan was held on 14 February 2017 at 10:30AM at: 3rd floor, assembly hall, Kabanbay Batyr, 17, Astana, 010000, Kazakhstan.

The name and the location of the Company's executive body: Management Board, Kabanbay Batyr, 17, Astana, 010000, Kazakhstan.

Mr Marlen Orazbekov, the Director of Legal Department at the Company, announced the opening of the Meeting, and gave the floor to the Chair of the Company's Counting Committee Mr Lazzat Nurmagambetova.

The Chair of the Counting Committee stated that, in accordance with the list of the Company's shareholders provided by Securities Registrar JSC as at 13 January 2017 (11:59PM), 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 attended the Meeting:

1. National Company KazMunayGas Joint Stock Company, the holder of 43,087,006 ordinary shares, represented by Mr. Damir Teberikov, Deputy Director of Operations Department at National Company KazMunayGas Joint Stock Company (power of attorney No. 110-39 dated 17 January 2017);

2. Deutsche Bank Trust Company Americas (GDR depository of KazMunaiGas Exploration Production), represented by Aizhan Aitbayevna Amanzholova (power of attorney without number dated 8 February 2017) who represented the holders of 11,682,902 ordinary shares which comprise 70,097,613 global depository receipts.

Total: two representatives of shareholders were registered and present that are entitled to attend and vote at the Meeting, that hold in aggregate 80.9% of the total number of the Company's voting shares.

Pursuant to Article 45:1 of Kazakh Stock Corporation Act No.415 dated 13 May 2003, a general meeting of shareholders may review and make a decision on any item on agenda if by the end of the registration of meeting attendants there have been registered shareholders or their representatives that are specified in the list of shareholders entitled to attend and vote at such meeting, and that hold in aggregate 50 or more per cent of company's voting shares.

The quorum for the meeting of shareholders was reached.

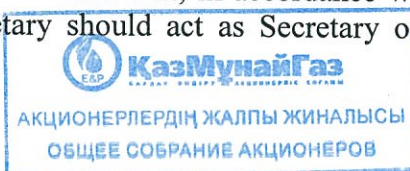
Mr Marlen Orazbekov suggested appointing Mr Damir Teberikov, Deputy Director of Operations Department at National Company KazMunayGas Joint Stock Company, as the Chair of the Meeting of the Company. The matter was put to a vote. The total number of the votes taking part in the voting was 43,087,006 votes.

Votes:

For	43,087,006 votes;
Against	no votes;
Abstained	no votes.

Decision made by the majority of votes: to appoint Damir Teberikov, the Deputy Director of Operations Department at National Company KazMunayGas Joint Stock Company, as Chair of the Meeting of the Company.

Mr Marlen Orazbekov informed that, in accordance with clause 10.39 of the Company's Charter, the Company Secretary should act as Secretary of the Company's Meeting. In this



regard, 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 of the votes taking part in the voting was 43,087,006 votes.

Votes:

For	43,087,006 votes;
Against	no votes;
Abstained	no votes.

Decision made by the majority of votes: to appoint Aidar Zhexenbiyev as the Secretary of the Company's Meeting.

Mr Marlen Orazbekov gave the floor to Mr Damir Teberikov, the Chair.

The Chair Mr Teberikov 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 the votes taking part in the voting was one votes.

Votes:

For	1 vote;
Against	no votes;
Abstained	no votes.

Decision made by the majority of votes: 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 Damir Teberikov gave the floor to the Secretary of the Company's Meeting Mr Zhexenbiyev regarding the time limits for the Meeting. Mr Zhexenbiyev suggested giving each speaker on an agenda item up to ten minutes; up to five minutes to a speaker in a debate; and up to seven minutes to the Counting Committee to count votes.

Since no other recommendations were made on this matter at the Meeting, the matter was put to a vote. The total number of the votes taking part in the voting was one vote.

Votes:

For	1 vote;
Against	no votes;
Abstained	no votes.



Decision made by the majority of votes: to approve the following time limits of the Company's Meeting: give each speaker on an agenda item up to ten minutes; up to five minutes to a speaker in a debate; and up to seven minutes to the Counting Committee to count votes.

The Chair of the Meeting Mr Damir Teberikov gave the floor to the Secretary of the Company's Meeting Mr Zhexenbiyev regarding an item on the agenda. Mr Zhexenbiyev reported that on 13 December 2016 the Company's Board of Directors made the decision to convene an Extraordinary General Meeting of Shareholders. The notice of the convention of the Meeting was published in the newspapers *Yegemen Kazakhstan* and *Kazakhstanskaya Pravda* both dated 30 December 2016. No amendments have been made to the agenda.

Therefore, it was proposed to approve the following agenda:

Terms and quantum of fees payable to directors and reimbursement of the directors for any costs they may incur while discharging their duties.

Since no other comments or recommendations were made on this matter, the matter was put to a vote. The total number of the votes taking part in the voting was 54,769,908 votes.

Votes:

For	54,769,908 votes;
Against	no votes;
Abstained	no votes.

Decision made by the majority of votes: to approve the following agenda of the Meeting:

Terms and quantum of fees payable to directors and reimbursement of the directors for any costs they may incur while discharging their duties.

Item. The Chair of the Meeting Mr Damir Teberikov gave the floor to Mr. Aidar Zhexenbiyev, the Company Secretary.

Pursuant to clause (8) of Article 11:1 of the Company's Charter, the general meeting of shareholders has exclusive authority over determining the number of members on the Board of Directors and their terms of office; election of members to and their removal from the Board of Directors; approval of terms of reference for the Board of Directors, and over setting the terms and quantum of fees payable to directors and over reimbursement of the directors for any costs they may incur while discharging their duties.

The Board of Directors recommended that the general meeting of shareholders considers revising the terms and quantum of fees payable to the independent non-executive directors ("INED").

The KMG EP INED fees were last revised in 2010, six years ago. They were revised at that time in conjunction with the search for a new INED and when the then 2010 fees had not been reviewed during the four years since the IPO in 2006. At the time of the IPO and again in 2010, the fees payable to the INEDs of KMG EP were set at a level significantly higher than the INED fees payable to the KMG NC INEDs to recognise the facts that: the KMG EP INEDs have significant regulatory responsibilities associated with the GDR listing on the London Stock Exchange; and, specific responsibilities to protect the interests of minority shareholders. By contrast, the KMG NC INEDs have no such regulatory responsibilities and only have Samruk Kazyna as a single professional shareholder.

Since 2010 the responsibilities (and time commitments) of the KMG EP INEDs have dramatically grown as a result of the: putative takeover offer from KMG NC in 2014; long standing dispute throughout 2015 regarding the price paid to KMG EP for domestic oil sales; and, 2016 proposals from KMG NC to amend the Relationship Agreement with the consequence of weakening minority shareholder protections. These corporate events have shown that the role of an INED at KMG EP is high profile and, in recent times, reluctantly confrontational. Those

job characteristics will deter many quality candidates from applying for the role of a KMG EP INED without a significant financial inducement to compensate for the enhanced reputational risk now associated with the role.

The KMG EP INEDs received no additional compensation for the non-routine time commitment devoted to dealing with the 2014 putative takeover offer or for their work enforcing the cost plus three percent formula or for successfully defending the interests of minority shareholders at the time of the 2016 EGM proposals. As a result of the putative takeover offer and the EGM proposals, the KMG EP INEDs now command the respect of the overwhelming majority of the minority shareholders and are held up in the international press as effective in promoting and protecting corporate governance in the Republic of Kazakhstan. They are an asset for KMG EP.

The KMG NC INEDs were awarded substantial fee increases that took effect from 2014 and which more than doubled their then total compensation when the combined effects of the increases in their basic fee and committee fees were aggregated. (Detailed information about the KMG NC fee increases can be provided but it is publicly available by comparing their disclosed remuneration in 2013 and 2014).

Preliminary discussions with headhunters have indicated that the hitherto dysfunctional relationship between KMG NC and KMG EP combined with the negative image that recent KMG EP events have created for listed Kazakh companies, mean that a significant financial inducement will now be required to attract a worthwhile replacement KMG EP INED.

Objectives of new fee proposal

The attached fee schedule is designed to: (a) increase the basic INED remuneration; (b) mirror the KMG NC committees and their fee structures; (c) recognise the role of a 'Senior Independent Director' as required by current international governance codes; (d) broaden the current attendance fees to cover meetings with Samruk Kazyna or Kazakh government officials when those meetings are not combined with a KMG EP board meeting; (e) and, provide a mechanism to compensate the KMG EP INEDs for their additional work in the event of another takeover event or governance EGM.

The revised fee proposal should take effect from 1 January 2016 so that the INEDs can be compensated for their work relating to the August EGM and recognise the fact that their fees have not been revised since 2010. This will result in a backlog of fees being paid in respect of 2016 for their basic and committee fees and for work on the EGM.

This revised schedule has been endorsed by the KMG EP Board of Directors in their resolution No.46 that was adopted on 13 December 2016.

The matter was put to a vote. The total number of the votes taking part in the voting was 54,769,908 votes.

Votes:

For	8,324,820 votes;
Against	46,430,364 votes;
Abstained	14,724 votes.

The resolution on the agenda was not adopted.

Once the decision on the item on the agenda has been adopted, the Chair of the Meeting Mr Teberikov thanked the shareholders for their participation and brought the meeting to a close.

The Company's Meeting was closed at 11:00AM.



Chair of the General
Meeting of Shareholders

_____ Damir Teberikov

Secretary of the General
Meeting of Shareholders

_____ Aidar Zhexenbiyev

Members of the Counting
Committee:

_____ Lazzat
Nurmagambetova

_____ Gulnara Ayaganova

_____ Aigul Aliakparova

From the Shareholder holding
more than 10% of Ordinary
shares

_____ Damir Teberikov

From the Shareholder holding
more than 10% of Ordinary
shares

_____ Aizhan
Amanzholova