

**MINUTES**  
**from Extraordinary General Meeting of Shareholders of**  
**KazMunaiGas Exploration Production**

The extraordinary general meeting of shareholders ("Meeting" or "EGM") of KazMunaiGas Exploration Production Joint Stock Company ("Company") located at: Kabanbay Batyr, 17, Astana, 010000, Kazakhstan was held on 15 October 2018 at 10:00 a.m. at: 3<sup>rd</sup> floor, meeting hall, Kabanbay Batyr, 17, Astana, 010000, Kazakhstan.

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

Mr Marlen Orazbekov, the Managing Director of Legal Affairs, announced the opening of the Meeting, and gave the floor to a member of the Company's Counting Commission Ms Aigul Aliakparova.

The member of the Counting Commission stated that, in accordance with the list of the Company's shareholders provided by the Securities Registrar as at 17 September 2018 (12:00 a.m.), 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 owner of 43,087,006 ordinary shares represented by Mr. Damir Teberikov, Deputy Director of Production Asset Department at National Company KazMunayGas Joint Stock Company (power of attorney No. 113-201 dated 12 October 2018);

2. Mr. Ravil Kassilgov on behalf of Lancrenan Investment Limited, the owner of 139,456 preferred shares of the Company (power of attorney without number dated 8 October 2018).

Pursuant to clause 3 of Article 13 of the Kazakh Stock Corporation Act, a preferred share does not entitle its owner to manage the company except as otherwise provided for in clause 4 of the above article.

According to subclause (8) of Article 1 of the Kazakh Stock Corporation Act, voting shares do not include shares bought back by the Company as well as those shares which are nominally held or belong to an owner without profile available in the central depository database.

Total: one representative of a shareholder that is entitled to attend and vote at the Meeting was present holding 43,087,006 ordinary shares which makes 99.97% of the total number of the Company's voting shares based on shareholder register as at 17 September 2018, and one representative of a shareholder holding preferred shares of the Company.

Pursuant to Article 45:1 of the Kazakh Stock Corporation Act, 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 present.

Mr Marlen Orazbekov, the Managing Director of Legal Affairs, announced that pursuant to clause 2 of Article 46 of the Kazakh Stock Corporation Act if a member of the counting commission is not present at a meeting, the meeting may instead elect another member to the counting commission for the duration of the Meeting. In view of the aforesaid, as Ms Lazzat Nurmagametova, the chair of the active counting commission, was missing, it was recommended that Ms Yelena Gorokhova, the Deputy Director of Company's Legal Department,

be elected as a member of the counting commission, and that Ms Aigul Aliakparova, a member of the active counting commission, be elected as chair of the counting commission.

The matter was put to a vote. The total number of the votes taking part in the voting was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:**

1. to elect Yelena Gorokhova, the Deputy Director of the Company's Legal Department, as a member of the counting commission, for the duration of the Meeting; and
2. to elect Aigul Aliakparova as Chair of the counting commission.

Mr Marlen Orazbekov suggested appointing Mr Dauren Karabayev, the Deputy Chair of the Management Board - Finance Director at National Company KazMunayGas, 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:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:** to elect Dauren Karabayev, the Deputy Chair of the Management Board - Finance Director at National Company KazMunayGas, as Chair of the Meeting of the Company.

Mr Marlen Orazbekov informed that, in accordance with clause 85 of the Company's Charter, Company Secretary should act as Secretary of Company's Meeting. Therefore, it was suggested that Ms Aigerim Suleimenova, the Company Secretary, be elected 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.

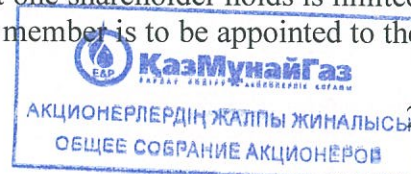
**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:** to elect Aigerim Suleimenova, the Company Secretary, as the Secretary of the Company's Meeting.

Mr Marlen Orazbekov then gave the floor to Mr Dauren Karabayev, the Chair of the Meeting.

The Chairman Mr Karabayev informed the shareholders about 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 to be 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 vote.

**Votes:**

<b>For</b>	one vote;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:** 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 Dauren Karabayev gave the floor to the Secretary of the Company's Meeting Ms Suleimenova who said there were no comments as to the change of the agenda. Also, Ms Suleimenova suggested allowing 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:**

<b>For</b>	one vote;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:** to approve the following time limits of the Company's Meeting: allow each speaker up to ten minutes to speak on an agenda item; up to five minutes to a speaker in a debate; and up to seven minutes to the Counting Commission to count votes.

The Chair of the Meeting Mr Dauren Karabayev gave the floor to the Secretary of the Company's Meeting Ms Suleimenova regarding an item on the agenda. Ms Suleimenova reported that on 10 September 2018 the Company's Board of Directors decided 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 12 September 2018. No recommendations have been made to make any change to the agenda.

Therefore, it was recommended to approve the following agenda of the Meeting:

- 1) Increase in the number of authorized shares of the Company by increasing the number of placed common shares (less those ordinary shares that have been repurchased by the Company).

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 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:** to approve the following agenda of the Meeting:





- 1) Increase in the number of authorized shares of the Company by increasing the number of placed common shares (less those ordinary shares that have been repurchased by the Company).

The Chair of the Meeting Mr Dauren Karabayev gave the floor to Mukhtar Avutbayev, the Director of Corporate Financing and Investor Relations Department.

Mr Avutbayev reported that pursuant to subclause 3) of clause 1 of Article 36 of the Kazakh Stock Corporation Act and subclause 3) of clause 103) of the Company's Charter, the decision on whether or not to increase the number of authorized shares of the Company falls under the sole responsibility of general meeting of shareholders.

As at 19 September 2018, the number of authorized and outstanding ordinary shares and preferred shares of the Company was 70,220,935 and 4,136,107, respectively. The number of ordinary shares and preferred shares that were repurchased as at the date was 14,261,778 и 2,634,461, respectively.

As a result of the Tender Offer to repurchase all outstanding global depositary receipts ("GDR") and ordinary shares that was made on 8 December 2017 ("Tender Offer"), the Company repurchased 135,454,910 GDRs (98.7 percent of GDRs with the exception of the issued GDRs that the Company owned as at 18 February 2018) and 336,584 ordinary shares.

After the Tender Offer was completed on 10 May 2018 GDRs were delisted from the London Stock Exchange ("LSE") and the trading on the main market of LSE was cancelled. On the same day Company's ordinary shares and GDRs were delisted from the Kazakhstan Stock Exchange as well.

In consideration of the foregoing and of the plans of NC KazMunayGas to discontinue Company's operations as a separate commercial entity, the Company is contemplating conversion of the GDRs that were repurchased by the Company into ordinary shares followed by their transfer into issuer's account so that the Integrated Securities Registrar keeps record of the repurchased stock and the depositary receipt programme be closed. For the Company to comply with clause 1 of Article 28 of the Kazakh Stock Corporation Act whereby the number of repurchased outstanding shares and those to be repurchased must not exceed twenty-five percent of the total number of outstanding shares, the Company should increase the number of its authorized shares by increasing the number of its outstanding ordinary shares (with the exception of the ordinary shares that have been repurchased by the Company).

As the depositary receipt programme is going to be closed, and as the Company has launched buyback program to repurchase up to 100 percent of its outstanding preferred shares, we would recommend that the number of outstanding ordinary shares (with the exception of the ordinary shares that have been repurchased by the Company) be increased twenty-fourfold.

Should the general meeting of shareholders adopt the resolution, the number of outstanding shares would be one billion three hundred sixty-one million four hundred seventeen thousand six hundred fifty-three (1,361,417,653) and would include:

- one billion three hundred fifty-seven million two hundred eighty-one thousand five hundred forty-six (1,357,281,546) ordinary shares;
- four million one hundred thirty-six thousand one hundred seven (4,136,107) preferred shares.

The Company will make respective amendments to the Company's Prospectus.

It should also be noted that the increase of the number of outstanding ordinary shares of the Company (with the exception of the ordinary shares that have been repurchased by the Company) would result in a different ordinary shares-to-GDR ratio, the underlying asset being Company's ordinary shares, in the system of Deutsche Bank Trust Company Americas, and would require respective amendments to be made to the Depositary Agreement.

The following resolution was presented to shareholders for consideration:

1. increase the number of authorized ordinary shares of KazMunaiGas E&P ("Company") up to one billion three hundred fifty-seven million two hundred eighty-one thousand



five hundred forty-six (1,357,281,546) by increasing fifty-five million nine hundred fifty-nine thousand one hundred fifty-seven (55,959,157) outstanding ordinary shares of the Company (with the exception of fourteen million two hundred sixty-one thousand seven hundred seventy-eight (14,261,778) ordinary shares that have been repurchased by the Company) twenty-fourfold. After the number of Company's authorized ordinary shares (with the exception of the ordinary shares that have been repurchased by the Company) has been increased, the total number of outstanding shares of the Company would be one billion three hundred sixty-one million four hundred seventeen thousand six hundred fifty-three (1,361,417,653) and would include:

- one billion three hundred fifty-seven million two hundred eighty-one thousand five hundred forty-six (1,357,281,546) ordinary shares;
  - four million one hundred thirty-six thousand one hundred seven (4,136,107) preferred shares.
2. that Mr Kurmangazy Iskazyev, takes steps necessary for this resolution to be implemented.

Then a representative of Lancrenan Investment Limited, Mr Ravil Kassilgov, spoke. He said that the increase in the number of authorized ordinary shares would infringe upon interests of holders of preferred shares and that the price per preferred share as part of the buyback program was unfairly underpriced.

Therefore, Mr Kassilgov asked that the Chairman of the Meeting entitles holders of preferred shares to vote on the agenda and if, for some reason, that would be impossible to do, he would ask that the Meeting is cancelled so that no debatable decision is made.

Whereas the Meeting was taking place under Kazakh laws and had already decided which shareholders were entitled to vote on the agenda, Mr Karabayev suggested that the Meeting continues and respond to those questions later.

The matter was put to a vote. The total number of the votes taking part in the voting was 43,087,006 votes.

**Votes:**

<b>For</b>	43,087,006 votes;
<b>Against</b>	no votes;
<b>Abstained</b>	no votes.

**It was resolved:**

1. increase the number of authorized ordinary shares of KazMunaiGas E&P ("Company") up to one billion three hundred fifty-seven million two hundred eighty-one thousand five hundred forty-six (1,357,281,546) by increasing fifty-five million nine hundred fifty-nine thousand one hundred fifty-seven (55,959,157) outstanding ordinary shares (with the exception of fourteen million two hundred sixty-one thousand seven hundred seventy-eight (14,261,778) ordinary shares that have been repurchased by the Company) twenty-fourfold. After the number of Company's authorized ordinary shares (with the exception of the ordinary shares that have been repurchased by the Company) has been increased, the total number of outstanding shares of the Company would be one billion three hundred sixty-one million four hundred seventeen thousand six hundred fifty-three (1,361,417,653) and would include:
  - one billion three hundred fifty-seven million two hundred eighty-one thousand five hundred forty-six (1,357,281,546) ordinary shares;
  - four million one hundred thirty-six thousand one hundred seven (4,136,107) preferred shares.

2. that Mr Kurmangazy Iskazyev, takes steps necessary for this resolution to be implemented.

There being no further business to be conducted at the meeting, the Chair of the Meeting Mr Dauren Karabayev thanked the shareholders for their participation and brought the meeting to a close.

The Company's Meeting was closed at 10:40 a.m.

Chair of the General  
Meeting of Shareholders

Dauren  
Karabayev

Secretary of the General  
Meeting of Shareholders

Aigerim  
Suleimenova

Members of the  
Counting Committee:

Aigul  
Aliakparova

Yelena  
Gorokhova

From the Shareholder  
holding more than 10%  
of Ordinary shares

Shyngys Iskakov

Damir Teberikov

