

Minutes No. 3 of the extraordinary General Meeting of Shareholders of Kazakhstan Electricity Grid Operating Company (KEGOC)

Astana

29 January 2016

Location of Kazakhstan Electricity Grid Operating Company (KEGOC) joint-stock company (hereinafter - KEGOC or the Company): 59 Tauyelsizdik Ave, Astana, Kazakhstan;

Venue of the extraordinary General Meeting of Shareholders of Kazakhstan Electricity Grid Operating Company (KEGOC) joint-stock company, (hereinafter - the Meeting): 59 Tauyelsizdik Ave, Astana, Kazakhstan, 11:30 AM.

Kuanysh Bektemirov, the Chairman of the Board of Directors, delivered the welcoming speech and told the audience that the present Meeting was convened on the initiative of the Board of Directors on 29 January 2016 with the issue regarding determination of Ernst&Young LLP audit organisation as the auditor of the annual financial statements of KEGOC for 2016-2018, and the cost of audit services amounting to one hundred and twenty-four million tenge (KZT 124,000,000), exclusive of VAT.

Information about the Meeting was published in national print media 'Yegemen Kazakhstan' and 'Kazakhstanskaya Pravda', on the websites of KEGOC and Kazakhstan Stock Exchange on 26 December 2015.

Kuanysh Bektemirov introduced the panel of the General Meeting of Shareholders:

1. Kuanysh Bektemirov, Chairman of the Board of Directors, KEGOC;
2. Alexey Repin, representative of Samruk-Kazyna (major shareholder);
3. Serik Ospanov, First Deputy Chairman of Management Board, KEGOC
4. Yertai Ramazanov, Corporate Secretary, KEGOC.

In accordance with clause 1.4 of Article 36 of Law of the Republic of Kazakhstan No. 415 dated 13 May 2003 'On Joint-Stock Companies' (hereinafter - the Law), the General Meeting of Shareholders of KEGOC defined the number of members and term of office of the Counting Board and elected its Chairman and members .

Kuanysh Bektemirov gave the floor to Shayakhmet Tokubayev, the Chairman of the Counting Board.

Shayakhmet Tokubayev reported to the Meeting about the registration of shareholders and the quorum of the Meeting, clarified the rights and responsibilities of shareholders, in addition, he said that the Meeting shall be entitled to consider and decide on the agenda, if at the end of the registration of the meeting participants, shareholders or their representatives included in the list of shareholders entitled to participate in and vote on it, and who hold in aggregate fifty and more percent of the voting shares of the Company have been registered.

All attending representatives of shareholders were registered and their powers were properly checked.

All shareholders, who attended the Meeting, received an explanatory note, a draft decision and voting ballots on the agenda during the registration.

Shayakhmet Tokubayev informed the Meeting that in accordance with the list of shareholders of the Company as of 22 January 2016 presented by the Company's Registrar -

Integrated Securities Registrar - the total number of placed shares is 260,000,000: including 260,000,000 ordinary shares, and zero preferred shares.

The meeting was attended by 35 (thirty-five) shareholders entitled to attend and vote at the Meeting. The number of votes registered at the Meeting is 238,349,905 (two hundred thirty-eight million three hundred forty-nine thousand nine hundred five), or 91.67 % of the total number of votes of the shareholders, owners of the Company's placed shares.

Quorum of the extraordinary General Meeting of Shareholders is reached.

Kuanish Bektemirov, Chairman of the Board of Directors, gave the floor to Serik Ospanov, First Deputy Chairman of the Management Board of KEGOC.

Serik Ospanov made a welcoming speech and proposed the shareholders of KEGOC to consider the Meeting open.

After that, in accordance with clause 4 of Article 48 of the Law, Serik Ospanov offered an open form of voting on the agenda issues.

After discussion, the shareholders agreed on the open form of voting.

Voting results:

'Pro' - 34 votes;

'Contra' - none;

'Abstain' - 1 vote.

Voting was conducted according to the principle: 'one shareholder - one vote'.

Resolved:

Decide on the form of voting on agenda items: open.

Serik Ospanov proposed to elect Alexey Repin (the representative of the major shareholder Samruk-Kazyna) the Chairman of the Meeting to conduct the Meeting.

Voting results:

'Pro' - 34 votes;

'Contra' - none;

'Abstain' - 1 vote.

Voting was conducted according to the principle: 'one shareholder - one vote'.

Resolved:

Elect Alexey Repin, the representative of the major shareholder Samruk-Kazyna, the Chairman of the Meeting.

Mr Ospanov continued.

In accordance with sub-clause 12 of Article 1 of the Law, as part of his activity, the Corporate Secretary of the Company shall monitor the preparation and holding of the shareholders' meetings, ensure the compilation of the materials on the agenda of the General Meeting of Shareholders of the Company.

In this regard, it is proposed to elect Yertai Ramazanov (the Corporate Secretary of the Company) the Secretary of the Meeting.

Voting results:

'Pro' - 34 votes;

'Contra' - none;

'Abstain' - 1 vote.

Voting was conducted according to the principle: 'one shareholder - one vote'.

Resolved:

Elect Yertai Ramazanov the Secretary of the Meeting.

Alexey Repin welcomed the shareholders and thanked for electing him the Chairman of the General Meeting of Shareholders, then he informed of the regulations of the Meeting:

- speaking on agenda items: up to 10 minutes;
- voting form: open;
- voting: 3 minutes;
- canvassing: 3 minutes;
- counting of votes and announcement of results of the voting: 10 minutes;
- questions and answers: 10 minutes.

Alexey Repin, the Chairman of the Meeting, announced the agenda of the Meeting formed by the Board of Directors: select Ernst&Young LLP, the audit organisation, as the auditor of the annual financial statements of KEGOC for 2016-2018, and audit service fee amounting to one hundred and twenty-four million tenge (KZT 124,000,000), exclusive of VAT.

Alexey Repin, the Chairman of the Meeting, informed the shareholders the Meeting had not received any proposals to change the agenda, in accordance with clause 3 of Article 43 of the Law, and put 'Approval of the agenda of the General Meeting of Shareholders of KEGOC' to vote.

Voting results:

'Pro' - 234,009,717 votes;

'Contra' - none;

'Abstain' - none.

Voting was conducted according to the principle: 'one share - one vote'.

Resolved:

Approve the following agenda of the Meeting:

Approve Ernst&Young LLP as the auditor of the annual financial statements of KEGOC for 2016-2018, and audit service fee amounting to one hundred and twenty-four million tenge (KZT 124,000,000), exclusive of VAT.

On the first item of the agenda Alexey Repin gave the floor to Serik Ospanov, who said the following.

Selection of an auditor for KEGOC and its subsidiaries EnergoInform and Financial Settlement Centre for Support to Renewable Energy Sources for the period from 2016 to 2018 was carried out in accordance with the Procedure for selection of an auditor for Samruk-Kazyna and

organizations of which fifty per cent or more of voting shares (participation interest) belong directly or indirectly to Samruk-Kazyna on the basis of ownership or trust management.

The Company applied to the Unified Commission for Audit Firm Selection with a request for a single auditor selection procedure.

Unified Commission conducted an analysis of documents of audit organizations that participated in competition for compliance with the requirements provided by the Company.

Based on the results of the procedures for selection of a single auditor, the Unified Commission recommended the General Meeting of Shareholders to select Ernst&Young LLP as an external auditor for 2016-2018, because this company offered a suitable price and quality audit services that meet the requirements of International Standards on Auditing and International Financial Reporting Standards.

Earlier, the issue was considered by the Board of Directors of KEGOC. The Board of Directors of KEGOC decided to recommend the General Meeting of Shareholders to select Ernst & Young LLP as an audit organization to audit the Company's financial statements for 2016-2018, and approve the audit service fee amounting to one hundred and twenty-four million tenge (KZT 124,000,000), exclusive of VAT.

Considering the above, the General Meeting of Shareholders is recommended to:

1. Approve Ernst & Young LLP as the auditor to audit the financial statements of KEGOC for 2016 - 2018.

2. Approve the audit services fee in the amount of one hundred twenty four million tenge (KZT 124,000,000), exclusive of VAT.

Alexey Repin asked the participating shareholders, if any, to ask questions to the speaker.

There were no questions from participating shareholders.

Having reviewed the submitted information, Alexey Repin, the Chairman of the Meeting of Shareholders, put the issue regarding selection of the Ernst&Young LLP audit organisation as the auditor of the annual financial statements of KEGOC for 2016-2018, and the cost of audit services amounting to one hundred and twenty-four million tenge (KZT 124,000,000), exclusive of VAT, to vote.

Voting results:

'Pro' - 234,012,385 votes

'Contra' - none

'Abstain' - none

Having reviewed the agenda issue and submitted materials, in accordance with Article 36.1.6) of the Law and Article 21.1.10) of KEGOC Charter, **the General Meeting DECIDED to:**

1. Approve Ernst & Young LLP as the auditor to audit the financial statements of KEGOC for 2016 - 2018.

2. Approve the audit services fee in the amount of one hundred twenty four million tenge (KZT 124,000,000), exclusive of VAT.

3. Mr Bakytzhan Kazhiyev, the Chairman of the Management Board, shall take measures to implement this decision as required by the laws of the Republic of Kazakhstan.

The Chairman announced that the agenda for the Meeting has no other and thanked the shareholders, the Board of Directors, the Management Board and the invited persons for participation.

The meeting of the General Meeting of Shareholders closed at 12:10 PM.

Signatures

Chairman of the General Meeting of Shareholders	_____ A. Repin
Secretary of the Annual General Meeting of Shareholders	_____ Ye. Ramazanov
Chairman of the Counting Board of the General Meeting of Shareholders	_____ Sh. Tokubayev
Members of the Counting Board of the General Meeting of Shareholders:	_____ D. Shugayev
	_____ A. Meirzhanov
	_____ A. Satymbekov
	_____ M. Zhunusov
	_____ G. Konakbayeva
	_____ A. Koshanova
Authorized representative of the major shareholder Samruk-Kazyna	_____ A. Repin