

Minutes of

Tengizchevroil LLP Future Growth Project -Wellhead Pressure Management Project

Consultation Meeting

Venue: School No 3, Shokpartogai village, Zhylyoi District, Atyrau Oblast

Date & Time: October 10, 2018

14:00 – 15:30

Sulu Ebirbay, Shokpartogai village Akimat representative, opened the meeting, greeted the village residents and informed that Tengizchevroil, LLP (TCO) would provide information regarding Future Growth Project - Wellhead Pressure Management Project (FGP-WPMP). She then passed the floor to R. Artygaliev.

. Artygaliev, TCO General Manager, Policy, Government and Public Affairs, informed participants that TCO continues holding annual consultation meetings with Atyrau Oblast Community. The objective of the meeting was stated, which was to give an overview on work progress within TCO FGP - WPMP and listen to the audience opinion regarding TCO and Project. He emphasized that the consultation meeting was not a public hearing. It was stated, that presentation about the Project would be introduced followed by Q&A Session, and if attendees would like to address their requests in written form, they could use special forms provided to each attendee. R. Artygaliev noted that in case of any further queries the attendees could address TCO by the contact information provided in handouts distributed to all the meeting participants.

Further, as per the agenda, Nurtas Kenganov, FGP-WPMP Regulatory Affairs Manager, delivered a presentation on TCO and FGP-WPMP activities.

It was emphasized by R. Artygaliev, that TCO contacted to all attendees who addressed written requests on previous meeting and provided answers to their questions.

After the presentation, R. Artygaliev provided an overview on the social projects implemented in Shokpartogai. It was reported that a kindergarten and a sports centre were constructed in the village. R. Artygaliev mentioned that the local community raised an issue regarding construction of a school and informed that Atyrau Oblast Akimat did not provide school construction project to be implemented as a part of Egilik program in 2019.

Then the Q&A Session started.

D. Kulgara: When will FGP-WPMP will be put into operation? What is the production capacity of the two existing plants per year? What is the amount of payments to Kazakhstan?

R. Artygaliev (TCO): Future Growth Project - Wellhead Pressure Management Project (FGP-WPMP) are integrated projects being constructed simultaneously to realize significant efficiencies and cost savings. FGP is planned to be put into operation in 2022. Construction activities of WPMP which include the drilling program will continue approximately till 2025. In 2008 TCO completed Sour Gas Injection and Second Generation Plant project. In 2017, TCO has achieved a crude production record of 28.7 MM tons. Current TCO Partners are: Chevron – 50%; NC KazMunaiGas JSC – 20%; ExxonMobil Kazakhstan Ventures Inc. – 25% and LukArco B.V. – 5%. From 1993 to 1H 2018, TCO made direct financial payments of over \$129 billion to Kazakhstani entities, including Kazakhstani employees' salaries, purchases of Kazakhstani goods and services, tariffs and fees paid to state-owned companies, profit distributions to Kazakhstani shareholder and taxes and royalties paid to the government. In the first half of 2018, direct payments to the Republic of Kazakhstan topped \$3B.

M. Boltekov: The channel of Emba river requires maintenance.

R. Artygaliev (TCO): You need to address this request to your Akimat. We will also communicate your request to Atyrau Oblast Akimat.

M. Boltekov: It is required to work on building a water supply line from Zhanasu water field.

R. Artygaliev (TCO): Mangystau and Atyrau Oblasts Akimats gave a task to TCO to explore potential water sources. Research outcome demonstrated that the more water will be produced, the higher will be water salinity degree. The research results were submitted to the Akimats and the projects was suspended by them. Water is currently being supplied from Kigach water line. Water Recycling Facility was put into operation by TCO. 30% of the water supplied is being recycled. Despite of current construction activities, owing to water being recycled and reused, water consumption rates remain the same as they were prior to commencement of FGP-WPMP activities which involve 42,000 people.

T. Bimukhanbetov: We experience problems with power supply in the village. Telephones and internet are down. Can TCO help to resolve this? Will a cultural centre be constructed in the village?

S. Ebirbay (Akimat): 5 transformers have been delivered to the village. Power connection works will be completed by the end of 2018.

R. Artygaliev (TCO): TCO did not get a request from Atyrau Oblast Akimat for construction of a cultural centre in Shokpartogai. The projects implemented under Egilik program are all agreed with Atyrau Oblast Akimat.

K. Zhumagaliuly: What is stored in caverns formed post oil recovery?

R. Artygaliev (TCO): Gas is being re-injected back into the reservoir.

Zh. Ybyrash (imam): We have personnel appealing to us to complain that they are not allowed to pray Namaz in Tengiz and there are no arrangements made to slaughter for the Feast of the Sacrifice. When we try to find out the reason, they say this is TCO policy. We received quite a lot of

complaints in 2018. I would like to draw your attention to the matter. Is there such a requirement in TCO?

K. Joldasbayev (TCO): The complaints about people not being allowed to pray Namaz are groundless. This is every person's choice. These talks occur because we don't have designated places for praying Namaz. Tengiz is a production area and according to the RoK legislation on religious activities no organization is allowed to arrange places for praying within industrial areas. Therefore, there are no designated places for praying Namaz within industrial areas of TCO. These measures are taken to ensure safety requirements are met. We hold regular meetings involving contractor companies' employees and imams on the matter. We kindly ask you to explain people too, when they appeal to you, that they shouldn't impede the normal workflow.

K. Zhumagaliuly: Can TCO help to protect the cemetery with concrete fencing?

S. Ebirbay (Akimat): Relevant paperwork is being currently developed to carry out these works.

K. Zhumagaliuly: There are a few small lakes close to our village. People, that can afford this, fenced them off and the local people's animal stock can't use them as a watering place. Can you arrange water supply, so we can water our animals?

R. Artygaliev (TCO): Please address this request to your Akimat.

Conclusion

R. Artygaliev thanked everyone for attending the meeting and noted that community consultation meetings would be hold annually until the project is over.

Questions summary

Following the consultation meeting and based on the questions provided in writing below is the short list of issues and questions raised by attendees at the meeting in Shokpartogai:

- FGP/WPMP start-up;
- oil output;
- amount of payments to the Republic of Kazakhstan;
- social projects;
- religion.