

**SHAREHOLDERS ANNUAL GENERAL MEETING
JOINT STOCK COMPANY
“SAT & COMPANY”
MINUTES No Sat&Co.-7-2-03**

The full name of the legal entity	“Sat & Company” Joint Stock Company (hereinafter “ the Company ”), certificate of state registration No 79711-1910-AO issued on August 15, 2006 by the Department of Justice of Almaty
Name and location of the executive board of the Company	Board Chairman of “SAT & Company” JSC 241, Mukanov Str., Almaty, Republic of Kazakhstan
Place, date and time of the meeting	Board Chairman of “SAT & Company” JSC 241, Mukanov Str., Almaty, Republic of Kazakhstan October 02, 2013 at 15.00
Start of registration of shareholders	14:00
Deadline for registration of shareholders	15:00

THE INVETEES:

- 1) Sagitova Rumiya Shafkhatovna- Member of the Board, Chief Financial Officer
- 2) Sharabok Nadezhda Ivanovna- Chief Accountant of the Company
- 3) Tyufyakova Svetlana Gennadiyevna- Deputy Director of Legal Department, Corporate Secretary

The general amount of issued common shares of the Company is 1 246 638 487 items.

Four shareholders and/or their representatives holding in aggregate – 927 552 094 items of ordinary shares which is 74.4 percents of voting shares of the company are registered and presented at the general meeting.

The record date of drafting list of shareholders, having right to participate in general meeting of SAT Company JSC shareholders and to vote on it, is provided to independent registrars - "Registrar system of securities" JSC- September 28, 2013.

All shareholders presented are registered in due course and the powers of representatives are adopted in due course.

The requirements of legislation of the Republic of Kazakhstan with regard to quorum presence were implemented; the meeting is authorized to adopt resolutions on all meeting agenda items. The Corporate Secretary of the Company has informed that additional offers concerning the meeting agenda were not received.

Shareholders annual general meeting was opened by Chief Financial Officer of "SAT & Company" JSC Sagitova Rumiya Shavkhatovna.

Ms. Sagitova welcomed shareholders attending the general meeting and thanked for participation in the management of Company.

Then Ms. Sagitova informed that powers of shareholders are confirmed, quorum for provision of shareholders annual general meeting is present, in connection with that meeting is claimed to be opened and offered to consider the items of meeting agenda.

Shareholders offered to elect chairman of the meeting Khodzhaev Rustam Narimanovich.
The Secretary of the Meeting – Tyufyakova Svetlana Gennadiyevna.

According to article 48 of the Law of the Republic of Kazakhstan on “Joint stock companies” the voting for election of Chairman of meeting and corporate secretary shall be provided on the principle “one shareholder –one vote”.

This offer is provided for voting.
vote”.

The total amount of votes on the item brought for voting - 4

Voting results: "**PROS**" voted -4; "**CONS**" - none; «**abstained**» - none.

It was unanimously **RESOLVED**:

The Chairman of the Meeting is elected Khodzhaev Rustam Narimanovich.

The corporate secretary of the meeting is elected Tyufyakova Svetlana Gennadiyevna.

The Chairman of the Meeting offered to rise question concerning way of voting on meeting agenda items, i.e. provide in open or secret bullet form.

The question is brought to vote.

The voting shall be provided on the principle "one shareholder –one vote".

The total amount of votes on the item brought for voting - 4

Voting results: "**Pros**" voted -4; "**cons**" - none; «**abstained**» - none

The resolution of the meeting: To choose open way of voting on all items of meeting agenda.

Then, the Chairman of the meeting informed that the annual general meeting is provided on the initiative of Company Board of Directors with meeting agenda, drafted by Board of Directors of Company, meeting minutes as of January 17, 2013. Notification on provision of annual general meeting is published on web-sites of Kazakhstan Stock Exchange, Depository of Financial Statements of the Company and Company web-site - www.sat.kz and brought to notice of shareholders in written form

The meeting agenda includes the following items:

- 1) Approval of annual financial statements of the Company for 2012 year
- 2) Establishment of the order on allocation of net profit of the Company for 2012 and dividends per ordinary share of the Company
- 3) Resolution not to pay dividends on ordinary shares of the Company for 2012
- 4) Consideration of information about the shareholders claims towards the Company and its officials
- 5) Consideration of information on the size and composition of remuneration of members of Board of Directors and Executive Board

The proposal to approve the agenda of the meeting was put to the vote by the principle "one voting share - one vote".

Total number of shareholders participated in voting-

Voting results: "**PROS**" 927 552 024, "**CONS**" -none; **abstained**-none.

IT WAS UNANIMOUSLY RESOLVED:

To approve the agenda of the Annual General Meeting of Shareholders as follows:

THE AGENDA:

- 1) Approval of annual financial statements of the Company for 2012 year
- 2) Establishment of the order on allocation of net profit of the Company for 2012 and dividends per ordinary share of the Company
- 3) Resolution not to pay dividends on ordinary shares of the Company for 2012
- 4) Consideration of information about the shareholders claims towards the Company and its officials
- 5) Consideration of information on the size and composition of remuneration of members of Board of Directors and Executive Board

ON THE FIRST ITEM OF THE MEETING AGENDA Chief Accountant Sharabok Nadezhda Ivanovna for report on "Approval of annual financial statements of the Company for 2012 year".

Sharabok N.I. reported that in accordance with s.c. 7 of the art.36 of the Law of the Republic of Kazakhstan on Joint-stock companies the issue of approval Company annual statements is related to exclusive competence of general meeting of shareholders.

The annual financial statement confirmed by "Independent audit company Centeraudit-Kazakhstan" LLC was available to the shareholders at the location of the Company location and therefore proposed to move for discussion of the report.

Consolidated financial statement for 2012 was submitted for approval and non-consolidated financial statement of the Company for 2012 (Appendix to this minutes) established in accordance with the

requirements of international Financial standards and confirmed by "Independent audit company Centeraudit-Kazakhstan" LLC.

Sharabok N. I. announced the key issues of the results of financial statements and performance of the Company and group of the companies within the structure of the Company as whole and other issues on the activities of the Company in 2012.

Year 2011 consolidated financial statement of the SAT group approved by the auditor includes indicators of "SAT&Company" and its subsidiaries:

Company/subsidiary	Location	Primary activity
"SAT& Company" JSC	Kazakhstan	Investment activities
"CAICC" LLP	Kazakhstan	Investment activities
"Taraz Metallurgical Plant" LLP	Kazakhstan	Manufacture of ferroalloy production
"Taraz Electrode Plant" LLP	Kazakhstan	Production of anode paste
"Arman-100" LLP	Kazakhstan	Production and dressing of manganese ore
"Axem investment" LLP	Kazakhstan	Production of mineral fertilizers
"TEMK" JSC	Kazakhstan	Manganese ore extraction and ferroalloys production
"Saryarka Mining" LLP	Kazakhstan	Ferroalloys prospecting
KARUAN LLP	Kazakhstan	Manganese ore prospecting
"Kaznickel" LLP	Kazakhstan	Cobalt nickel ores prospecting
SAT&Co Holding A.S.	Turkey	Subsurface use
Ertys FNK LLP	Kazakhstan	Subsurface use
Trade house SAT OOO	Russia	Trade activity

Assets and liabilities of ShalkiyaZink N.V. and GRK SAT Komor JSC are indicated in the balance in disposal of assets.

Then, let me provide financial key indicators of the Group for 2012.

key indicators in profit and losses statement

	2012	2011-recalculated
		thous. KZT
Revenue	156 696 70	6 1380 90
COGS	164 455 86	7 3527 65
Gross profit	-748 916	-1 214 665
Revenues from acquisitions	5 4417 62	
Impairment of investments		1 039 383
Other operating income	932 966	8 562 012
General and administrative expenses	2 454 600	2 453781
Sales expenses	773164	495 029
Other operating expenses	1 004 418	250 751
Operatinion come	1 393 630	3 108 403
Income from financing	467 490	522 956
Financing expenses		
The loss of companies counted by applying equity Method	-406114	-412 966
Profit before taxation	--2 943 879	-442 505
Income Tax expense (benefit)		
Income from discontinued operations		1 274 902
Profit per annum	-1 932 925	303 587
Foreign exchange profit/loss	-1904 20	-44 972
Grand Total Aggregate annual income	-2 912 665	285 867

--	--	--

The structure of proceeds from sales(services):

Revenue

	Year 2012	Year 2011
Ferroalloys	11 278 690	4 804 065
Calcium carbide	2 508 477	
Limestone	775 303	
Metal scrap	732 285	
Oil and oil products		972 096
Other	401 915	361 929
Total	15 695 670	6 138 090

COGS

	2012	2011
Raw materials	6 6093 58	2 942 383
Electric power	4 237 274	1 396 366
Fixed assets depreciation	2 309 208	1092118
Wages and taxes	1 779 192	578 785
Stripping works	21 477	0
Crude oil and petroleum products		612 994
Provision for impairment	469 534	554 150
Transportation	50 229	112 326
Total	16 445 586	7 352 755

As can be seen from the data above, the operating activities of the Group companies resulted with gross loss 748 916 thous KZT mainly due to the excess of COGS over the cost of sale of end product of TMZ LLP.

The income from purchasing enterprises for amount of 5 441762 thous. KZT- it is succeed of fair vale over cost of purchase of shares TMZ LLP.

Other operational income:

	2012	2011
Income from writing off liabilities	234 041	38414
Income from other materials sale	218 623	72 875
Income from state subsidies for TMZ	1042 12	26442
Income from sale KLPE and air center Jet		8 168 568
Other	146 781	255 713
Total	932 966	8 562 012

Financial income at the amount of 4 398 885 thous KZT consist mainly repayment of bonus on loan and obligation loan.

Losses from terminated activities in amount of 1 047 460 KZT –is result of Shalkiya N.V. and SAT Komir GRK JSC.

Aggregate loss for 2012 is 2 912665 thous KZT.

Income per share

	2012
Profit/loss attributable to the ordinary share holders in thous. KZT	-2 9803 85

Weighted average number of ordinary share in circulation	1 585 724
Income(loss) per share attributable to shareholders of Company (KZT)	-1.88

Main items of balance sheet as of December 31, 2011 and 2012 years

	As of 31.12.2012	As of 31.12.2011
Assets	8 7590 519	79 228 340
Fixed assets	24 434 807	40 005 524
Assets on Exploratron and Assessments	3 825714	3781538
Investment to associated companies	6 829171	3 436 479
Receivables	12 604340	16 858 409
Inventories	2 124 312	175170
Cash and their equivalents	501 688	738 608
Other assets	11 595 810	12 656 073
Assets of disposing groups	25 674 677	
Liabilities	55 570 704	50 183 228
Bonds issued	12146 758	10 526 641
Loans and borrowings	1 7706 803	24 186 046
Accounts payable and other liabilities	16 582 809	15 470 541
Liabilities of disposing groups	1 134 334	
Capital	32 019 815	29 045 112
Reserves	-157 759 989	-146 886 694
Non-distributed profit	15 154 175	2 736 224

Shareholders equity of the Group for 2012 y increased onto	2 974 703 thous. KZT, including
Contributions of shareholders to Charter capital	5 1537 23 thous. KZT, including
Loss of the year	- 2 9126 65 thous. KZT, including
Non-controlling shareholders share decrease	1 548 332 thous. KZT, including
Reserves increase	- 8 14 687 thous. KZT, including

Having listened to N.I. Sharabok and discussed the year 2012 performance and discussed non-consolidated financial statements, approved by Report of Independent Auditors, Independent Audit company "Centeraudit Kazakhstan" have voted the following way.

The item put for the vote:

- 1) to approve annual financial statements of the Company for 2012 year, approved by Report of Independent Auditors, Independent Audit company "Centeraudit Kazakhstan (attachment to this minutes)
- 2) to approve non-consolidated financial statements of the Company for 2012 year, approved by Report of Independent Auditors, Independent Audit company "Centeraudit Kazakhstan (attachment to this minutes)

This offer to approve the "the meeting agenda" is brought to voting on the principle "one voting share - one vote"- 927 552 094.

Voting results: "**PROS**" voted - 927 552 094; "**CONS**" - none; «**abstained**» - none.

It was unanimously **RESOLVED**:

- 1) to approve annual financial statements of the Company for 2012 year, approved by Report of Independent Auditors, Independent Audit company "Centeraudit Kazakhstan (attachment to this

minutes)

- 2) to approve non-consolidated financial statements of the Company for 2012 year, approved by Report of Independent Auditors, Independent Audit company "Centeraudit Kazakhstan (attachment to this minutes)

SECOND ITEM OF THE MEETING AGENDA was addressed by Chief Financial Officer, Sagitova Rumiya Shafkhatovna and reported that according to the results of 2012 the net income of Company was 2 912 665 thous. KZT.

In connection with that The Board of Directors were offered for the reason of absence of profit and aggregate loss to take resolution not to pay dividends on ordinary shares.

The following resolution is put to the vote:

Approve the fact of profit absence and losses for the expired 2012 year.

This offer to approve the "the meeting agenda" is brought to voting on the principle "one voting share - one vote"- 927 552 094.

Voting results: "**PROS**" voted - 927 552 094; "**CONS**" - none; «**abstained**» - none.

It was unanimously **RESOLVED**:

Approve the fact of profit absence and losses for the expired 2012 year.

THE THIRD ITEM OF THE MEETING AGENDA was addressed by Chief Financial Officer, Sagitova Rumiya Shafkhatovna and offered shareholders not to pay dividends on ordinary shares.

This offer to approve the "the meeting agenda" is brought to voting on the principle "one voting share - one vote"- 927 552 094.

Voting results: "**pros**" voted - 927 552 094; "**cons** » - none; «**abstained**» - none.

It was unanimously **RESOLVED**:

Not to pay dividends on ordinary shares of "SAT& Company" JSC for the expired period.

THE FOURTH ITEM OF THE MEETING AGENDA was addressed by Chief Financial Officer, Sagitova Rumiya Shafkhatovna and she reported that there were no claims against Company and its officials.

The item put for voting:

Take into account the fact of no claims against Company and its officials.

This offer to approve the "the meeting agenda" is brought to voting on the principle "one voting share - one vote"- 927 552 094.

Voting results: "**pros**" voted - 927 552 094; "**cons**" - none; «**abstained**» - none.

It was unanimously **RESOLVED**:

Take into account the fact of no claims against Company and its officials.

THE FIFTH ITEM OF THE MEETING AGENDA was addressed by Sagitova Rumiya Shafkhatovna, Chief Financial Officer, who stated that during annual meeting of the shareholders the Chairman of the Board of Directors should inform the shareholders-attendees on the size and composition of remuneration to the members of the Board of Directors and Management Board. Due to the fact that the Chairman of the Board of Directors Rakishev K.Kh. was on a business trip, Sagitova Rumiya Shafkhatovna represented the shareholders information on remuneration to the officials. (information on the size and composition of remuneration to the members of Board of Directors and Management Board is attached to the present Statement).Having listened to Sagitova R. and considered the remuneration of Board of Directors and Executive Board, the shareholders voted as follows.

Total number of shareholder votes participating in voting- 927 552 094.

The voting is provided on principle "one voting share-one vote".

Voting results: "**pros**" voted - 927 552 094; "**cons**" - none; «**abstained**» - none.

It was unanimously **RESOLVED**:

Take note of the information provided.

In completion, the chairman of meeting informed that all items of meeting agenda of shareholders annual general meeting were considered, resolutions on them taken, in connection with that proposed to consider the Company shareholders annual meeting closed.

CHAIRMAN OF THE MEETING _____ **Khodzhaev R.N.**

CORPORATE SECRETARY _____ **Tyufyakova S.G.**

SHAREHOLDERS HOLDING 10 PERCENTS OF COMPANY SHARES AND MORE:

KHODZHAEV R.N.
ACTING BY VIRTUE OF POWER OF ATTORNEY
FROM RAKISHEV K.K. N 1-804 as of 14.02.11 _____ **Khodzhaev R.N.**

SAGADIEV D.B.
ACTING BY VIRTUE OF POWER OF ATTORNEY
FROM "SPECIALNAYA FINANSOVAYA KOMPANIYA
"KOR-INVEST" LLP N 15-02 AS OF 15.02.13 _____ **Sagadiev D.B.**