

Societatea Națională de Gaze Naturale Romgaz S.A. - Mediaș - România

No. 14406/16.05.2015

To the General Meeting of Shareholders,

Law No. 31/1990 on trading companies, republished with subsequent amendments and additions, provides that "The financial statements of trading companies subject to the lawful obligation of audit, the audit shall be carried out by the financial auditors – natural persons or legal persons -, under the terms provided by the law." (Article 160, Paragraph (1)).

As well, according to the provisions of Article 6, Paragraph (1) of the Order of Minister of Public Finance No. 1286 of October 1, 2012, for approval of the accounting regulations in compliance with the International Financial Reporting Standards, applicable to trading companies whose securities are admitted to trading on a regulated market, the individual annual financial statements established by entities based on the accounting regulations in accordance with the IFRS are subject to statutory audit, according to the law.

Considering the provisions of the Government Emergency Ordinance No. 109/2011 on corporate governance of state-owned enterprises, the appointment of the auditor was made after the company has accomplished the provisions of GEO No. 34/2006 on public procurement. Between January – April 2015 an open a public procurement was developed whose object was procurement of financial audit services.

Following the development of these public procurement procedures, a Framework Service Contract was concluded with Auditor S.C. Deloitte Audit S.R.L., Framework Service Contract No.8226/April 29, 2015, for a period of 3 year and its object is supply of the following services for financial years 2015, 2016, 2017:

- The auditing in compliance with International Auditing Standards of individual financial statement and of consolidated financial statements, in case of the establishment of subsidiaries, prepared by SNGN Romgaz S.A. in accordance with International Financial Reporting Standards for the financial years ending on December 31,2015, December 31 2016 and December 31 2017.
- Verification of the compliance degree of the Directors' Report attached to the financial statements and of consolidated financial statements, in case of the establishment of subsidiaries, prepared by SNGN Romgaz S.A. in accordance with International Financial Reporting Standards for the financial years ending on December 31 2015, December 31 2016 and December 31 2017.
- Half-year review in compliance with International Standard on Reviewed Engagements 2410, "Review of Interim financial information by an independent auditor" of interim individual financial statements and of consolidated financial statements, in case of the establishment of subsidiaries, prepared by SNGN Romgaz S.A. in accordance with International Financial Reporting Standards for H1 2015, H2 2016 and H3 2017.

- Auditing documentation in support of the proposal to increase the company's capital share during the contract duration.
- Auditing annual reports in relation to the regulated activities (UGS and gas distribution) according to A.N.R.E. Decision no. 1139/2006 for the approval of Rules for accounting, legal, functional and organizational separation of regulated activities in the gas sector, for the financial years ending on December 31 2015, December 31 2016 and December 31 2017 and for the storage cycles April 2015-March 2016, April 2016-March 2017 and April 2017-March 2018.
- Auditing the annual financial report of license titleholders prepared in compliance with Order 59/2008 on the approval of Methodology for preparing the financial report by titleholders of licenses for the financial years ending on December 31 2015, December 31 2016 and December 31 2017.
- Performing procedures agreed for the verification of reports prepared by the company in accordance with Law no. 297/2004 on capital market and of C.N.V.M no. 1/2006 on issuers and operation of securities for H1 and H2 of each year during 2015-2017.

In accordance with provisions of Article 111 par. (2) letter b1 of Law no. 31/1990 on companies, as amended from time to time, the General Meeting of Shareholders approves the appointment of a financial auditor and the minimum duration of the financial audit contract.

In view of all of the above, we seek the approval of SNGN Romgaz S.A. General Meeting of Shareholders for the following items:

- a) Appointment of S.C. Deloitte Audit S.R.L. as financial auditor of S.N.G.N. Romgaz S.A.;
- b) The financial audit contract term shall be three years; it shall relate to financial statements for each of 2015, 2016, 2017.

Board of Directors Chairman  
Aurora Negrut

