

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of CNOOC Limited ("the Company") will be held on 25 May 2005, at 2:00 p.m. at Island Shangri-la Hong Kong, Two Pacific Place Supreme Court Road, Hong Kong, for the following purposes:

- A. As ordinary business, to consider and, if thought fit, pass with or without amendments, the following ordinary resolutions:
1. To receive and consider the audited Statement of Accounts together with the Reports of the Directors and Auditors thereon for the year ended 31 December 2004
  2. To declare a final dividend for the year ended 31 December 2004.
  3. To re-elect retiring Directors.

The Directors to be re-elected are as follows:-

(1) Luo Han

Mr. Luo was born in 1953. Mr. Luo received a doctorate degree from the China Petroleum University. He has over 30 years of experience in the oil industry in the People's Republic of China. He was appointed as an Executive Director of the Company in December 2000. From 1993 to 1999, Mr. Luo served as the Vice President of China Offshore Oil Eastern South China Sea Corporation and concurrently as the Chairman of the CACT (CNOOC-AGIP-Chevron-Texaco) Operators Group, and the Executive Vice President of China Offshore Oil East China Sea Corporation, a subsidiary of China National Offshore Oil Corporation ("CNOOC"). In 1999, he served as the General Manager of CNOOC China Limited's Shanghai Branch. Mr. Luo is a Vice President of CNOOC, a position he has held since 2000. He joined CNOOC in 1982.

Save as aforesaid, Mr. Luo does not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company.

Mr. Luo has personal interests in 1,150,000 ordinary shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Under Mr. Luo's service contract, Mr. Luo's emoluments comprise an annual salary of HK\$465,600 subject to an annual increment as determined by the board of Directors, but not exceeding 15% of his then current salary. Mr. Luo is subject to the retirement provisions in the articles of association of the Company.

(2) Chiu Sung Hong

Mr. Chiu was born in 1947 and received an LL.B. degree from the University of Sydney, Australia. He is admitted as a solicitor of the Supreme Court of New South Wales and the High Court of Australia. He has over 30 years experience in legal practice and is a director of a listed company in Australia. Mr. Chiu is the founding member of the Board of Trustees of the Australian Nursing Home Foundation and served as the General Secretary of the Australian Chinese Community Association of New South Wales. Mr. Chiu was appointed as an Independent Non-executive Director of the Company in September 1999.

Mr. Chiu does not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company.

Mr. Chiu has personal interests in 1,150,000 ordinary shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Chiu's emoluments comprise an annual salary of HK\$200,000. The emoluments of Directors were determined with reference to their perception of the industry standards and the prevailing market conditions. Mr. Chiu is subject to the retirement provisions in the articles of association of the Company.

4. To re-appoint Auditors and to authorise the Directors to fix their remuneration.

B. As special business, to consider and, if thought fit, pass with or without amendments, the following ordinary resolutions:

1. **“THAT:**

- (a) subject to paragraph (b), the exercise by the Directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, subject to and in accordance with all applicable laws and the Articles of Association (the “Articles”) of the Company, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be purchased by the Directors pursuant to the approval in paragraph (a) shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any applicable laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting.”

2. **“THAT:**

- (a) subject to paragraph (b) the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to
  - (i) a Rights Issue;
  - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company;
  - (iii) the exercise of any option granted under the Company’s share option schemes; or
  - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution and this approval shall be limited accordingly, and

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or any applicable laws to be held; and

- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).

3. “**THAT** conditional upon the passing of the resolutions numbered B1 and B2 of the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with shares pursuant to the resolution numbered B2 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution numbered B1, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution.”

By Order of the Board

**Cao Yunshi**

*Company Secretary*

Hong Kong, 15 April 2005

Registered office:

65th Floor,  
Bank of China Tower,  
1 Garden Road,  
Hong Kong.

Notes:

1. *A shareholder entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy does not need to be a shareholder of the Company*
2. *In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority (if any) under which it is signed, or a copy of such authority notarially certified, must be deposited at the Company's registered office at 65th Floor, Bank of China Tower, 1 Garden Road, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude a shareholder from attending and voting at the meeting if the shareholder so desires.*
3. *With respect to resolution numbered B1, approval is being sought from shareholders for a general mandate to repurchase shares to be given to the Directors. The Directors wish to state that they have no immediate plans to repurchase any existing shares. The Explanatory Statement containing the information necessary to enable the shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), is set out in a separate letter from the Company.*
4. *With respect to the resolution numbered B2, approval is being sought from shareholders for a general mandate to issue shares to be given to the Directors. The Directors have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders as a general mandate for the purpose of Section 57B of the Companies Ordinance and the Listing Rules.*
5. *With respect to resolution numbered B3, approval is being sought from shareholders for an extension of the general mandate granted to the Directors to allot and issue shares by adding to it the number of shares purchased under the authority granted pursuant to resolution numbered B1.*
6. *The Register of Members of the Company will be closed from 18 May 2005 to 25 May 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all share transfers accompanied by the requisite share certificates must be lodged with the Company's Share Registrars in Registrars Limited, at Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p m on 17 May 2005..*