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CNPC (HONG KONG) LIMITED

(incorporated in Bermuda with limited liability)

中國(香港)石油有限公司*

(Stock Code: 135)

PROPOSED CHANGE OF AUDITORS

The Board of Directors of CNPC (Hong Kong) Limited announces that it has been proposed that upon the retirement of PricewaterhouseCoopers as the Company's auditors at the forthcoming annual general meeting of the Company, Deloitte Touche Tohmatsu be appointed as the auditors of the Company with effect from the date of the Company's annual general meeting.

The Board of Directors (the "**Board**") of CNPC (Hong Kong) Limited (the "**Company**") announces that it has been proposed that Deloitte Touche Tohmatsu ("**DTT**") be nominated for appointment as the auditors of the Company at the forthcoming annual general meeting of the Company to be held on 25th May 2006, in place of the retiring auditors of the Company, PricewaterhouseCoopers ("**PwC**"). PwC has been the auditors of the Company for several years and the Board considers that consistent with good corporate governance practice, the auditors of the Company shall be altered from time to time.

Both the Board and the audit committee of the Company (the "**Audit Committee**") confirm that there is no disagreement between the Company and PwC, and there are no circumstances connected with the proposed change of auditors or the retirement of PwC which the Board and the Audit Committee consider should be brought to the attention of the shareholders of the Company. PwC has not commenced any audit work on the financial results of the Company for the financial year ending 31st December 2006. The Company is incorporated under the laws of Bermuda and it has been advised that there is no requirement under the laws of Bermuda for the retiring auditors to provide a clearance letter to the Company confirming whether or not there are any circumstances connected with their retirement which they consider should be brought to the attention of the shareholders of the Company. PwC has not issued such confirmation.

By the Order of the Board
CNPC (Hong Kong) Limited
Li Hualin
Chief Executive Officer

Hong Kong, 12th May 2006

* For identification only

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Wang Mingcai as the Chairman, Mr. Li Hualin as the Chief Executive Officer, Mr. Cheng Cheng as Executive Director, Mr. Lin Jingao as Non-Executive Director and Dr. Lau Wah Sum, Mr. Li Kwok Sing Aubrey and Dr. Liu Xiao Feng as Independent Non-Executive Directors.

Please also refer to the published version of this announcement in The Standard.