

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2006 Annual General Meeting ("AGM") of China Oilfield Services Limited (the "Company") will be held on 6 June 2006 (Wednesday) at 10:00 a.m. (Beijing time) at conference room 610B, CNOOC Plaza, No. 25 Chaoyangmen North Avenue, Dongcheng District, Beijing, the People's Republic of China, to consider and, if thought fit, to pass the following resolutions. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 18 April 2007 (the "Circular"):

### By way of Ordinary Resolutions:

1. To consider and approve the audited financial statements and the report of the auditor for the year ended 31 December 2006;
2. To consider and approve the proposed annual dividend for the year ended 31 December 2006;
3. To consider and approve the budget for fiscal year 2007;
4. To consider and approve the report of the directors for the year ended 31 December 2006;
5. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2006;
6. To consider and approve the re-appointment of non-executive directors and independent non-executive directors; (The information of re-election Director is set out in the Circular).
7. To re-appoint Ernst & Young Hua Ming and Ernst & Young as the domestic and international auditors of the Company for the year ending 31 December 2007 and to authorize the board of directors to fix the remuneration thereof;
8. Subject to the passing of the below special resolution 12 and conditional upon the completion of the A Share Issue, the adoption of the procedural rules of the Shareholders' general meetings as set out in Appendix [2] to the Circular be and is hereby approved;
9. Subject to the passing of the below special resolution 12 and conditional upon the completion of the A Share Issue, the adoption of the procedural rules of the Board meetings as set out in Appendix [3] to the Circular be and is hereby approved;
10. Subject to the passing of the below special resolution 12 and conditional upon the completion of the A Share Issue, the adoption of the procedural rules of the Supervisory Committee meetings as set out in Appendix [4] to the Circular be and is hereby approved;
11. Subject to the passing of the below special resolution 12 and conditional upon the completion of the A Share Issue, the adoption of the Decision-making Procedures on connected transaction as set out in Appendix [5] to the circular be and is hereby approved.

### By way of Special Resolutions:

12. To consider and approve, subject to the approvals by the Shareholders at Class Meetings and by the relevant regulatory authorities, which include the CSRC, the allotment and issue of A Shares by the Company in the PRC by way of placing and/or public offering of new shares and each of the following terms and conditions for the A Share Issue be and are hereby approved one by one:
  - (1) Class of Shares: A Shares;
  - (2) Total number of A Shares to be issued: not more than 820,000,000 A Shares. The final number of A Shares to be issued and the structure of the issue is subject to the approval by CSRC and other Relevant Authorities and the adjustments (if any) made by the Board;
  - (3) Nominal value: RMB1.00 each;

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- (4) Target subscribers: (i) securities investment funds, securities companies, trust and investment companies, financial companies, insurance institutional investors and qualified foreign institutional investors satisfying the requirements of CSRC; and (ii) other institutional investors and public investors and other investors as approved by CSRC, except for those prohibited under the PRC laws and regulations;
  - (5) Basis of determining the issue price: issue price of the A Share Issue will be determined on the basis of market conditions, the condition prevailing in the PRC securities market at the time of the A Share Issue by way of customary market consultation and such other ways as approved by CSRC;
  - (6) Place of listing: Shanghai Stock Exchange;
  - (7) Use of proceeds: Funds raised will be mainly used for the following projects: building of the second 400-foot rig (942), building of a multi-purpose drilling platform, building of the second multi-purpose platform, building of '2+2' rigs of 300ft jackup rigs, building of eighteen Type 6 service vessels, building of two deep-water AHTS vessels, modifying the eight-cable seismic vessel, building of one twelve-cable seismic vessel, building of one deep-water investigation vessel and the purchase of following equipments including vertical seismic profile, two sets of coil tubing unit and nitrogen equipment, three sets of LWD, magnetic resonance imaging log-prime, extended range micro-zmager. The funds raised will also be used to substitute the funds raised by the Company that have been already put into the projects. Apart from financing the above projects, the remaining funds will also be used as additional working capital of the Company;
  - (8) The A Shares are listed Domestic Shares and except as otherwise provided for in the applicable laws, rules and regulations and the Articles of Association, will rank *pari passu* with the existing Domestic Shares and H Shares in all respects. Once the A Share Issue is completed, both new and existing Shareholders will be entitled to share the Company's accumulated retained earnings at the time of the A Share Issue;
  - (9) Validity period of this resolution: This special resolution shall be effective for a period of 12 months from the date of the approval by the Shareholders at AGM and the Class Meetings;
  - (10) The Board (and its delegates) shall be and are authorized to determine and deal with at its discretion and with full authority, matters relating to the A Share Issue (including but not limited to the specific timing of the issue, number of A Shares to be issued, offering mechanism, pricing mechanism, issue price, target subscribers and the number and proportion of A Shares to be issued to each subscriber, the engagement of advisers and underwriters and the granting of over-allotment option); and
  - (11) The Board (and its delegates) shall be and are authorized to, at their discretion and with full authority, sign or execute all necessary documents (including but not limited to the preliminary offering circular, the prospectus, underwriting agreement, listing agreement and any related announcements), effect and carry out necessary formalities (including but not limited to procedures for listing of the A Shares on Shanghai Stock Exchange), and take all other necessary actions in connection with the A Share Issue, as well as to handle all registration requirements in relation to changes in the registered capital of the Company following the completion of the A Share Issue;
13. Subject to the passing of the above special resolution 12 and conditional upon the completion of the A Share Issue, (a) the amendments to the Articles of Association as set out in Appendix [1] to the Circular be and are hereby approved; and (b) the Board (and its delegates) be and are hereby authorized to make further amendments which in their opinion may be necessary, desirable and expedient in accordance with the mandatory requirements of the applicable laws and regulations, and as may be required by the Relevant Authorities, and to apply for approvals from the Relevant Authorities after the completion of the A Share Issue;

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The amended Articles of Association as referred to in this special resolution 12 shall come into effect on the date when all the relevant approvals are obtained;

14. To consider and, if thought fit, pass the following special resolution to authorise the board of directors of the Company (the "Board") to allot, issue and deal with overseas listed foreign shares ("H Shares") subject to the following conditions:
- (a) subject to paragraphs (c) and (d) below and subject to all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the People's Republic of China (the "PRC"), The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or of any other governmental or regulatory body, the Board be and are hereby authorised to exercise, whether by a single exercise or otherwise, all the powers of the Company to allot, issue and deal with H Shares during the Relevant Period (as defined in paragraph (e) below);
  - (b) the authority granted under paragraph (a) above shall authorise the Board to make an offer or agreement or grant an option during the Relevant Period which would or might require H Shares to be allotted and issued either during or after the end of the Relevant Period;
  - (c) the aggregate nominal value of H Shares allotted or agreed to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the authority granted under paragraphs (a) and (b) above shall not exceed 20% of the aggregate nominal value of H Shares in issue of the Company at the date of passing of this resolution;
  - (d) the authority granted under paragraph (a) above shall be conditional upon the approvals of any regulatory authorities as required by the laws, rules and regulations of the PRC being obtained by the Company;
  - (e) for the purpose of this special resolution, "Relevant Period" means the period from the passing of this special resolution until whichever is the earlier of:
    - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
    - (ii) the expiration of a period of twelve months following the passing of this special resolution; and
    - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting;
  - (f) subject to approval of all relevant governmental authorities in the PRC for the issue and allotment of and dealing in such H Shares being granted, the Board be and is hereby authorised to:
    - (i) make such corresponding amendments to the Articles of Association (the "Articles") of the Company as it thinks fit so as to change the registered capital of the Company and to reflect the new capital structure of the Company upon the exercise of the authority to allot, issue and deal in H Shares as conferred under paragraph (a) above; and
    - (ii) file the amended Articles with the relevant governmental authorities of the PRC.

By order of the Board  
China Oilfield Services Limited  
**Chen Wei Dong**  
Company Secretary  
Hong Kong, 18 April 2007

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### Notes:

- (1) Shareholders are reminded to read carefully the details of the proposed A Share Issue as contained in the Circular to be despatched to the Shareholders.
- (2) Details of the proposed amendments to the Articles of Association are set out in Appendix [1] to the Circular to be despatched to the Shareholders and are also available for inspection on the website of the Hong Kong Stock Exchange (<http://www.hkex.com.hk>).
- (3) Details of (a) the procedural rules of the Shareholders' general meetings; (b) the procedural rules of the Board meetings; (c) the procedural rules of the Supervisory Committee meetings and (d) Decision-making Procedure on Connected Transaction as set out in Appendices [2] to [5] respectively to the Circular and are also available for inspection on the website of the Hong Kong Stock Exchange (<http://www.hkex.com.hk>).
- (4) Holders of the Company's overseas listed foreign invested shares (in the form of H Shares ("H Shares")) whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited on [6 June 2007 (Wednesday)] are entitled to attend and vote at the AGM.
- (5) Shareholders who intend to attend the AGM must complete and return the written replies for attending the AGM to the Company's registered office by facsimile or post no later than 17 May 2007 (Thursday):
  - Address: 65/F., Bank of China Tower 1 Garden Road, Hong Kong
  - Tel: (852) 2213 2515
  - Fax: (852) 2525 9322
- (6) Each holder of Shares who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM. Where a shareholder has appointed more than one proxy to attend the AGM, such proxies may only vote on a poll or a ballot. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing. In the case that an appointer is a legal person, the power of attorney must be either under the common seal of the legal person or under the hand of its director or other person, duly authorized. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign, or other documents of authorization, must be notarially certified. For holders of H Shares, the power of attorney or other documents of authorization and proxy forms must be delivered to the Company's registered office at 65/F., Bank of China Tower, 1 Garden Road, Hong Kong, no less than 24 hours before the time appointed for the holding of the AGM in order for such documents to be valid.
- (7) The Company's register of members will be closed from 7 May 2007 (Monday) to 6 June 2007 (Wednesday) (both days inclusive), during which time no transfer of shares will be registered. Transferees of H Shares who wish to attend the AGM and qualify for entitlement to the 2006 dividend referred to above must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to Computershare Hong Kong Investor Services Limited by no later than 4:00 p.m. on 4 May 2007 (Friday) for completion of the registration of the relevant transfer in accordance with the Articles of Association of the Company.
  - Computershare Hong Kong Investor Services Limited's address is as follows:
  - 46/F., Hopewell Centre
  - 183 Queen's Road East
  - Wanchai
  - Hong Kong
- (8) Shareholders or their proxies must present proof of their identities upon attending the AGM. Should a proxy be appointed, the proxy must also present copies of his/her Proxy Form, or copies of appointing instrument and power of attorney, if applicable.
- (9) The AGM is expected to last not more than one day. Shareholders or proxies attending the AGM are responsible for their own transportation and accommodation expenses.

As at the date of this announcement, the executive directors of the Company are Mr. Yuan Guangyu and Mr. Li Yong; the non-executive directors of the Company are Mr. Fu Chengyu and Mr. Wu Mengfei; and the independent non-executive directors of the Company are Mr. Andrew Y. Yan, Mr. Gordon C.K. Kwong and Mr. Simon X. Jiang.

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