

SHAREHOLDERS' MEETINGS

To ensure that all shareholders of the Company enjoy equal rights and exercise their rights effectively, the Company convenes the shareholders' general meeting every year pursuant to its Articles of Association.

1. Annual General Meeting

The annual general meeting for 2006 was held on May 16, 2007 at Crowne Plaza Park View Wuzhou Beijing Hotel. Twelve ordinary resolutions and one special resolution granting the general mandate of the Board of Directors to issue the Company's shares and apply for the listing of such shares were passed and approved at the meeting.

Pursuant to the relevant provisions of the Listing Rules, CNPC, as the controlling shareholder and therefore a connected person of the Company, abstained from voting on the 13th resolution proposed at the annual general meeting involving the connected transaction between the Company and CNPC. Such resolution was passed by more than half of the voting rights represented by the independent shareholders present at the meeting in person or by proxy. The independent non-executive Directors of the Company have conducted annual review on these

connected transactions to ensure sufficient disclosures have been made in respect of the details, approval procedures and performance of the connected transactions. For details of the connected transactions, please refer to section of headed Connected Transactions in this annual report.

Details of the resolutions passed at the general meeting have been set out in the announcement published in the "Hong Kong Economic Times" and "South China Morning Post" on May 16, 2007.

2. Extraordinary General Meeting

An extraordinary general meeting for 2007 was held on August 10, 2007 at the Oriental Bay International Hotel, Beijing. A special resolution in respect of the issue and listing of A shares of the Company was passed and approved at such meeting.

Details of the resolution passed at the extraordinary general meeting have been set out in the announcement published on the website of the HKSE on August 10, 2007.