



山東墨龍石油機械股份有限公司

Shandong Molong Petroleum Machinery Company Limited

(A Sino-foreign joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 8261)

FORM OF PROXY FOR USE AT THE EXTRAORDINARY GENERAL MEETING

Form of proxy for the extraordinary general meeting (the "EGM") of Shandong Molong Petroleum Machinery Company Limited (the "Company") to be held at No. 99 Beihai Road, Shouguang City, Shandong Province, the People's Republic of China on Monday, 3 October 2005 at 10:00 a.m.

I/We¹ _____

of _____

being the registered holder(s) of _____ Domestic/H Shares² of

RMB0.10 each in the capital of the Company, **HEREBY APPOINT THE CHAIRMAN OF THE EGM**³

or _____

of _____

as my/our proxy to attend, act and vote for me/us at the EGM to be held at No. 99 Beihai Road, Shouguang City, Shandong Province, the People's Republic of China on Monday, 3 October 2005 at 10:00 a.m., for the purpose of considering, and if thought fit, passing the resolution set out in the notice convening the EGM and at such EGM to vote for me/us and in my/ our name(s) in respect of the resolution as indicated below.

| ORDINARY RESOLUTION ⁴ | FOR ⁴ | AGAINST ⁴ |
|--|------------------|----------------------|
| To approve the declaration and payment of an interim dividend (see notice of an extraordinary general meeting issued by the Company on 11 August 2005 for full resolution) | | |

Dated this _____ date of _____ Shareholder's signature⁵ _____

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares and delete the inappropriate type of share registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
3. If any proxy other than the Chairman is preferred, strike out the "THE CHAIRMAN OF THE EGM or" and insert the name and address of the proxy desired in the space provided. **ANY ALTERATIONS MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON(S) WHO SIGN(S) IT.**
4. **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK THE APPROPRIATE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, TICK THE APPROPRIATE BOX MARKED "AGAINST".** Failure to tick any box will entitle your proxy to cast his vote at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the EGM other than those referred to in the notice convening the EGM.
5. This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. If this form of proxy is signed by an attorney or officer of the appointer, the power of attorney authorising that attorney to sign, or other document of authorisation must be notarially certified.
6. Any member entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting.
7. To be valid, for holders of Domestic Shares, this form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, shall be deposited at the registered office of the Company, at No. 99 Beihai Road, Shouguang City, Shandong Province, PRC no less than 24 hours before the time appointed for the EGM. In order to be valid, for the holder of H Shares, the above documents must be delivered to the Company's H Share Registrar at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the EGM.