



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 H SHARES CLASS MEETING TO BE HELD AT ON 5 DECEMBER 2006 AT 10:00 A.M. OR AT ANY ADJOURNMENT THEREOF

I/We^(Note 1) _____
of _____
being the registered holder(s) of _____
H shares of RMB0.10 each^(Note 2) in the capital of **Shandong Molong Petroleum Machinery Company Limited** (the “Company”), HEREBY APPOINT the Chairman of the Meeting
or^(Note 3) _____
of _____
or failing him _____
of _____
to act as my/our proxy to attend, act and vote on my/our behalf at the class meeting of the holders of H Shares of the Company to be held at No. 99 Beihai Road, Shouguang City, Shandong Province, the People's Republic of China on 5 December 2006 at 10:00 a.m. (the “Meeting”) (or any adjournment thereof) for the purpose of considering and, if thought fit, passing the special resolution as set out in the notice convening the Meeting.

SPECIAL RESOLUTION	For ^(Note 4)	Against ^(Note 4)
To approve the Proposed Introduction (as defined in the notice convening the Meeting), the implementation of the Proposed Withdrawal (as defined in the notice convening the Meeting) and the reduction in the minimum notice period in respect of the Proposed Withdrawal.		

Dated _____ Signature(s)^(Note 5) _____

NOTES:

- Please insert full name(s) and address(es) in **BLOCK CAPITALS**.
- Please insert the number of H shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the H shares in the capital of the Company registered in your name(s).
- If any proxy other than the Chairman of the Meeting is preferred, strike out the words “the Chairman of the Meeting or” and insert the name and address of the proxy desired in the space provided. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE DULY INITIALLED BY THE PERSON WHO SIGNS IT.**
- IMPORTANT: IF YOU WISH TO VOTE FOR THE RESOLUTION, PLEASE TICK THE BOX MARKED “FOR”. IF YOU WISH TO VOTE AGAINST THE RESOLUTION, PLEASE TICK THE BOX MARKED “AGAINST”.** Failure to complete any or all the boxes will entitle your proxy to cast his/her votes at his/her discretion.
- This form of proxy must be signed by you or your attorney duly authorised in writing, or in the case of a corporation, must be either under its seal or under the hand of an officer or attorney duly authorised.
- To be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must be deposited with office of the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited on the 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 24 hours before the time appointed for the Meeting or the adjourned meeting (as the case may be).
- Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of the joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of the relevant share will alone be entitled to vote in respect thereof.
- The proxy need not be a member of the Company but must attend the meeting in person to represent you.
- Completion and return of this form of proxy will not preclude you from attending and voting at the meeting or the adjourned meeting (as the case may be) should you so wish.

* For identification purpose only