KUNLUN ENERGY COMPANY LIMITED
(incorporated in Bermuda with limited liability)
昆 侖 能 源 有 限 公 司

(Stock Code: 00135.HK)

NOTICE OF THE SGM

NOTICE IS HEREBY GIVEN that the SGM of Kunlun Energy Company Limited (the "**Company**") will be convened at the President's Room, 38th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong on 19 December 2017, Tuesday at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions as ordinary resolutions.

Unless otherwise indicated, capitalized terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 1 December 2017 relating to, amongst other things, the New Master Agreement and the Proposed Annual Caps (the "**Circular**").

1. "**THAT**:

   (a) the entering into of the New Master Agreement and the transactions contemplated thereunder, details of which are more particularly described in the Circular, be and is hereby approved, ratified and confirmed; and

   (b) the Board be and is hereby authorised to implement the transactions under the New Master Agreement.

2. (a) the Continuing Connected Transactions under Categories (a), (b), (c) and (d) as set out in the "Letter from the Board" in the Circular be and are hereby approved;

(b) the Proposed Annual Caps for the Continuing Connected Transactions under Categories (a), (b), (c) and (d) for the three financial years commencing on 1 January 2018 to 31 December 2020 as set out in the "Letter from the Board" in the Circular be and are hereby approved; and

(c) any one director (if execution under the common seal of the Company is required, any two directors) of the Company be and is/are hereby authorised for and on behalf of the Company to sign, and where required, to affix the common seal of the Company to any documents, instruments or agreements, and to do any acts and things deemed by him to be necessary or expedient in order to give effect to and implement the Continuing Connected Transaction under Categories (a), (b), (c) and (d) and the Proposed Annual Caps for the Continuing Connected Transactions under Categories (a), (b), (c) and (d) for the three financial years commencing from 1 January 2018 to 31 December 2020."

By Order of the Board
Kunlun Energy Company Limited
Cheng Cheng
Company Secretary

Hong Kong, 1 December 2017

Notes:

1. Unless otherwise defined, terms used in this notice shall have the same meanings as those defined in the Circular.

2. The register of members of the Company will be closed for registration of transfer of shares from Thursday, 14 December 2017 to Tuesday, 19 December 2017, both days inclusive. In order to qualify for attending and voting at the SGM, all transfer documents shall be lodged for registration with Tricor Secretaries Limited, the Company's branch share registrar and transfer office in Hong Kong, at Level 22 Hopewell Centre 183 Queen's Road East Hong Kong before the close of business day on Wednesday, 13 December 2017.

3. At the SGM, the Chairman of the Meeting will put each of the above resolutions to the vote by way of a poll. On a poll, every Shareholder who is present in person or by proxy shall have one vote for every Share of which he is the holder.

4. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. **A proxy need not be a member of the Company. Completion and return of the proxy form will not preclude a member from attending and voting in person at the meeting or any adjourned meeting should he so wish.**

5. To be valid, the proxy form, together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's principal office at 39th Floor, 118 Connaught Road West, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be). The proxy form must be completed strictly in accordance with the instructions set out therein.

6. CNPC and its associates (including PetroChina) will abstain from voting in respect of all the resolutions set out above.

As at the date of this notice, the Board comprises of Mr. Huang Weihe as the Chairman and Executive Director, Mr. Wu Enlai as the Executive Director, Mr. Zhao Yongqi as the Chief Executive Officer and Executive Director, Mr. Zhao Zhongxun as Executive Director, Mr. Ding Shilu as Executive Director, Mr. Zhang Yaoming as Executive Director, and Mr. Li Kwok Sing Aubrey, Dr. Liu Xiao Feng and Mr. Sun Partick as Independent Non-Executive Directors.