



CHINA NORTHERN ENTERPRISES INVESTMENT FUND LIMITED

中國北方企業投資基金有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2324)

PROXY FORM

Form of proxy for use by shareholders at the extraordinary general meeting (or any adjournment thereof) ("Meeting") of the Company to be convened and held at 5:30 p.m. on Friday, 11 November 2005

I/We (note a) _____

of _____,
being the registered holder(s) of (note b) shares of HK\$0.01 each of CHINA NORTHERN ENTERPRISES INVESTMENT FUND LIMITED (中國北方企業投資基金有限公司) ("Company") hereby appoint the Chairman of the Meeting

or _____

of _____

to act as my/our proxy (note c) at the Meeting of the Company to be held at Caine Room, 7/F Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong at 5:30 p.m. on Friday, 11 November 2005 and at any adjournment thereof and to vote on my/our behalf as directed below.

Please tick ("✓") in the appropriate boxes to indicate how you wish your vote(s) to be cast (notes d and e).

	RESOLUTION	FOR	AGAINST
1.	To approve the allotment and issue of the Ferndene Consideration Shares, the CNI Bullion Consideration Shares and the Quidam Consideration Shares pursuant to the Ferndene Subscription Agreement, the CNI Bullion Subscription Agreement and the Quidam Sale and Purchase Agreement respectively (being Ordinary Resolution no. 1 as set out in the notice of the EGM)		
2.	To grant a general mandate to the directors of the Company to repurchase the Company's shares (being Ordinary Resolution no. 2 as set out in the notice of the EGM)		
3.	To grant a general mandate to the directors of the Company to allot, issue and otherwise deal with the Company's shares (being Ordinary Resolution no. 3 as set out in the notice of the EGM)		
4.	To add the nominal amount of the shares repurchased by the Company to the mandate granted to the directors of the Company under Resolution no. 3 (being Ordinary Resolution no. 4 as set out in the notice of the EGM)		
5.	To approve the change of Company's name (being Special Resolution no. 5 as set out in the notice of the EGM)		

Dated the _____ day of _____ 2005

Shareholder's signature _____ (notes f to i)

Notes:

- Full name(s) and address(es) are to be inserted in BLOCK CAPITALS.
- Please insert the number of shares 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 capital of the Company registered in your name(s).
- A proxy need not be a member of the Company. If you wish to appoint some person other than the Chairman of the Meeting as your proxy, please delete the words "the Chairman of the Meeting or" and insert the name and address of the person appointed proxy in the space provided.
- If you wish to vote for any of the resolutions set out above, please tick ("✓") the appropriate box marked "For". If you wish to vote against any resolutions, please tick ("✓") the appropriate box marked "Against". If this form returned is duly signed but without specific direction on any of the proposed resolutions, the proxy will be entitled to vote or abstain at his discretion in respect of all resolutions; or if in respect of a particular proposed resolution there is no specific direction, the proxy will, in relation to that particular proposed resolution, be entitled to vote or abstain at his discretion. A proxy will also be entitled to vote at his discretion on any resolution properly put to the meeting other than those set out in the notice convening the meeting.
- The full text of the Resolutions appears in the notice of the Meeting dated 17 October 2005.
- In the case of a joint holding, this form of proxy may be signed by any joint holder. If, however, more than one joint holder is present at the meeting, whether in person or by proxy, the vote of the senior who tenders a vote will be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.
- The form of proxy must be signed by a shareholder, or his attorney duly authorised in writing, or if the shareholder is a corporation, either under its common seal or under the hand of an officer or attorney so authorised.
- To be valid, this form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Hong Kong Branch Registrars, Tengis Ltd. at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 48 hours before the time of the Meeting or any adjourned meeting.
- ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**
- Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Meeting or poll concerned if you so wish.