



中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1088)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting for 2006 (the "Annual General Meeting") of China Shenhua Energy Company Limited (the "Company") will be held at The Atrium Room, 39th Floor, Island Shangri-la, Pacific Place, Supreme Court Road, Central, Hong Kong at 9:00 a.m. on Tuesday, 15 May 2007 for the purpose of considering and passing the following resolutions:

AS ORDINARY RESOLUTIONS:

1. To consider and, if thought fit, to approve the report of the board of directors of the Company for the year ended 31 December 2006.
2. To consider and, if thought fit, to approve the report of the board of supervisors of the Company for the year ended 31 December 2006.
3. To consider and, if thought fit, to approve the audited financial statements of the Company for the year ended 31 December 2006.
4. To consider and, if thought fit, to approve the Company's profit distribution plan for the year ended 31 December 2006, namely: (1) the transfer of 10% of the combined net profits, calculated on the basis of the PRC accounting rules and regulations and "Accounting Regulations for Business Enterprises", to the statutory surplus reserve in accordance with the Articles of Association, in the aggregate amount of RMB1,614,000,000; (2) the Company's proposal for distribution of the final dividend of RMB0.34 per share (after tax) for 2006, in the aggregate amount of RMB6,151,000,000, and to authorise a committee appointed by the Board comprising Messrs. Chen Biting and Ling Wen, all being directors of the Company, as appointed by the board of directors, to implement the aforesaid distribution.
5. To consider and, if thought fit, to approve the remuneration of the directors and supervisors of the Company, which shall be apportioned on the following basis: the aggregate remuneration of all executive directors shall be RMB1,969,592, comprising basic salaries of RMB530,961, retirement scheme contributions of RMB268,689; and performance remuneration of RMB1,169,942; the aggregate remuneration of all independent non-executive directors shall be RMB1,275,000; and the aggregate remuneration of all supervisors shall be RMB880,500, comprising basic salaries of RMB308,496; retirement scheme contributions of RMB196,283, and performance remuneration of RMB375,721; and to authorise the board of directors of the Company to determine the remuneration of each director and supervisor in 2006.

6. To consider and, if thought fit, to approve the re-appointment of KPMG Huazhen and KPMG as the PRC and international auditors respectively of the Company for 2007, and to authorise a committee appointed by the Board comprising Messrs. Chen Biting and Ling Wen, all being directors of the Company, to determine their remuneration.
7. To consider and, if thought fits, approve the renewal of certain connected transaction agreements and approve the caps for the connected transitions from 2008 to 2010, and authorised the board committee appointed by the Board to make any appropriate and necessary changes to connected transaction agreements, to sign the connected transaction agreements and take all such actions as required by the listing rules of the place of listing.
8. To consider and, if thought fit, approve the resolution for the adjustments to the annual cap for certain connected transactions in 2007, and authorise a board committee appointed by the Board to take all such action as required to amend the caps for the connected transactions.
9. To consider and if thought fit, approve Mr. Yun Gonghui as a director of the first session of the Board, and upon his election as a member of the Board, Mr. Yun Gongmin shall be a non-executive director of the Company.

AS SPECIAL RESOLUTIONS:

10. To consider and, if thought fit, to approve a general mandate to the board of directors to issue, allot and deal with additional domestic shares not exceeding 20% of the registered capital of the Company, and to authorize the board of directors to make such corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares.

“THAT:

- (A) (a) subject to paragraph (c) and in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of the Company and the applicable laws and regulations of the People’s Republic of China, the exercise by the board of directors during the Relevant Period of all the powers of the Company to allot, issue and deal with, either separately or concurrently, additional domestic shares and H Shares of the Company and to make or grant offers, agreements, options and rights of exchange or conversion of shares which might require the exercise of such powers be hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the board of directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion of shares which might require the exercise of such powers after the end of the Relevant Period;

(c) each of the aggregate nominal amounts of domestic shares and H Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the board of directors pursuant to the approval granted in paragraph (a) shall not exceed 20% of each of the aggregate nominal amounts of domestic shares and H Shares of the Company in issue at the date of passing this resolution; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of granting the authority by a special resolution in the general meeting until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the twelve months from the date of granting the authority by a special resolution in the 2006 annual general meeting; or
- (3) the revocation or variation of the authority given by the special resolution in the general meeting.

(B) The board of directors be authorized to make corresponding amendments to the Articles of Association of the Company as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares as provided in sub-paragraph (a) of paragraph (A) of this resolution.”

The Directors of the Company may only exercise their authority as mentioned above in compliance with the relevant laws and regulations of the PRC, the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and with all necessary approvals from the relevant government authorities.

By Order of the Board
Chen Biting
Chairman

Beijing, 30 March 2007

As at the date of this announcement, the Directors of the Company are Mr. Chen Biting and Dr. Ling Wen, Mr. Zhang Xiu, Executive Directors, Mr. Zhang Yuzhuo and Mr. Han Jianguo, Non-executive Directors, Mr. Huang Yicheng, Mr. Anthony Francis Neoh and Dr. Chen Xiaoyue, Independent Non-executive Directors.

Notes:

1. AGM notice

Please see the announcement made on 26 March 2007 for the renewal of and amendments to certain connected transaction agreements and the setting of the annual caps for 2008 to 2010 and adjustments to the annual caps for certain connected transactions in 2007. It is expected that a circular, setting out the details of the proposed resolution for the revision of these caps, will be despatched to shareholders in due course.

2. Eligibility for attending the annual general meeting

Holders of H Shares of the Company whose names appear on the register of members of the Company kept by the Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at the close of business of Saturday, 14 April 2007 are entitled to attend at the annual general meeting.

To qualify for attendance and vote at the annual general meeting to be held on Tuesday, 15 May 2007, all transfers of H Shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4p.m. on Friday, 13 April 2007.

3. Proxy

- (1) Each shareholder entitled to attend and vote at the annual general meeting may appoint one or more proxies in writing to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- (2) The proxies shall be appointed in writing by shareholders. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorized in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other documents of authorization must be notarized.
- (3) To be valid, the notarially certified power of attorney, or other documents of authorization, and the form of proxy must be delivered to the Company's registered address for holders of domestic shares and at the H share registrar of the Company for holders of H shares not less than 24 hours before the time fixed for convening the annual general meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so wishes. The H share registrar of the Company is Computershare Hong Kong Investor Services Limited.
- (4) A proxy may exercise the right to vote by showing his hand or by poll. However, if a shareholder appointed more than one proxy, such proxies shall only exercise the right to vote by poll.

4. Registration procedures for attending the annual general meeting

- (1) A shareholder or his proxy should produce proof of identity when attending the annual general meeting.

If a corporate shareholder appoints its legal representative to attend the meeting, such legal representative or the person authorized by the board of directors or other governing body shall produce a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

- (2) Shareholders who intend to attend the annual general meeting should return the reply slip of such meeting to the Company on or before Tuesday, 24 April 2007.
- (3) Shareholders of the Company may return the reply slip personally, by post or by facsimile to the Company.

5. Closure of register of members

The register of members of the Company will be closed from Saturday, 14 April 2007 to Monday, 14 May 2007 (both dates inclusive).

6. Procedures on demanding a poll

Subject to the Listing Rules of the stock exchange on which the shares of the Company have been listing, a poll may be demanded in respect of any resolutions by the following persons before or after a vote is carried out by a show of hands:

- (1) the chairman of the meeting; and
- (2) at least two shareholders or their proxies entitled to vote thereat; or
- (3) one or more shareholders (including their authorized proxies) separately or jointly representing 10% or more of all shares carrying the right to vote at the meeting.

Unless a poll is demanded, the chairman of the meeting shall declare the result of a proposal put to vote on a show of hands. A demand for a poll may be withdrawn by the person who made the demand.

7. Miscellaneous

- (1) The annual general meeting is expected to be held for less than half a day. Shareholders who attend the meeting shall bear their own travelling and accommodation expenses.
- (2) The register of members will be closed from Saturday, 14 April 2007 to Monday, 14 May 2007 (both days inclusive), during which time no transfer of shares will be registered. Transferees of H Shares who wish to attend the annual general meeting and qualify for receiving the dividend appropriation for 2005 must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to Computershare Hong Kong Investor Services Limited by no later than 4:00 p.m. on Friday, 13 April 2007 for completion of the registration of the relevant transfer in accordance with the Articles of Association of the Company. The dividend is expected to be paid on or about 20 June 2007 to the shareholders whose names appear on the register of members of the Company on Monday, 14 May 2007.

(3) The Share Registrar of the Company for H Shares is Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong

(4) The registered address of the Company:

Shenhua Tower
22 Andingmen Xibinhe Road
Dongcheng District
Beijing, China
Postal Code: 100011
Telephone: (+86) 10 5813 3355/99
Facsimile: (+86) 10 8488 2107



中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1088)

Form of proxy for the Annual General Meeting to be held on 15 May 2007

I/We ^(Note 1) _____
of _____
being the registered holder(s) of ^(Note 2) _____ H shares of
RMB1.00 each in the share capital of China Shenhua Energy Company Limited (the "Company") HEREBY APPOINT THE CHAIRMAN OF THE MEETING ^(Note 3) or
of _____
as my/our proxy to attend and act for me/us at the annual general meeting of the Company to be held at 9:00 a.m. on Tuesday, 15 May 2007 at The Atrium Room, 39th Floor, Island Shangri-la, Pacific Place, Supreme Court Road, Central, Hong Kong (the "Meeting") (and any adjournment thereof) for the purposes of considering and, if thought fit, passing the resolutions as set out in the notice convening the Meeting and at the Meeting (and at any adjournment thereof) to vote for me/us and in my/our name(s) in respect of the resolutions as indicated below (Note 4).

ORDINARY RESOLUTIONS		For ^(Note 4)	Against ^(Note 4)
1.	To consider and, if thought fit, to approve the report of the board of directors of the Company for the year ended 31 December 2006.		
2.	To consider and, if thought fit, to approve the report of the board of supervisors of the Company for the year ended 31 December 2006.		
3.	To consider and, if thought fit, to approve the audited financial statements of the Company for the year ended 31 December 2006.		
4.	To consider and, if thought fit, to approve the Company's profit distribution plan for the year ended 31 December 2006, and to authorise a committee appointed by the Board comprising Messrs. Chen Biting and Ling Wen, all being directors of the Company, as appointed by the board of directors, to implement the aforesaid distribution.		
5.	To consider and, if thought fit, to approve the remuneration of the directors and supervisors of the Company, and to authorise the board of directors of the Company to determine the remuneration of each director and supervisor in 2006.		
6.	To consider and, if thought fit, to approve the re-appointment of KPMG Huazhen and KPMG as the PRC and international auditors respectively of the Company for 2007, and to authorise a committee appointed by the Board comprising Messrs. Chen Biting and Ling Wen, all being directors of the Company, to determine their remuneration.		
7.	To consider and, if thought fit, approve the renewal of certain connected transaction agreements and approve the caps for the connected transactions from 2008 to 2010, and authorised the board committee appointed by the Board to take all such actions as required by the listing rules of the place of listing.		
8.	To consider and, if thought fit, approve the resolution for the adjustments to the annual cap for certain connected transactions in 2007, and authorise a board committee appointed by the Board to take all such action as required to amend the caps for the connected transactions.		
9.	To consider and if thought fit, approve Mr. Yun Gongmin as a director of the first session of the Board, and upon his election as a member of the Board, Mr. Yun Gongmin shall be a non-executive director of the Company.		
SPECIAL RESOLUTIONS			
1.	To consider and, if thought fit, to approve a general mandate to the board of directors to issue, allot and deal with additional domestic shares not exceeding 20% of the registered capital of the Company, and to authorize the board of directors to make such corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares.		

Date: _____ 2007 Signature(s) ^(Note 5): _____

Notes:

- Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
- Please insert the number of shares registered in your name(s) to which this proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all shares 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" and insert the name and address of the proxy desired in the space provided. A shareholder entitled to attend and vote at the Meeting may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company but must attend the Meeting in person to represent you. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON WHO SIGNS IT.**
- IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, TICK IN THE BOX MARKED "AGAINST".** If no direction is given, your proxy may vote or abstain at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting other than those referred to in the notice convening the Meeting.
- This form of proxy must be signed by you or your attorney duly authorised in writing. In case of a corporation, the same must be either under its common seal or under the hand of its director(s) or duly authorised attorney(s). If the form of proxy is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorization document must be notarised.
- In case of joint holders of any share, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such shares as if he is solely entitled thereto. However, if more than one of such joint holders are present at the Meeting, personally or by proxy, the vote of the joint holder whose name stands first in the register of members and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of other joint holder(s).
- In order to be valid, the form of proxy together with the power of attorney or other authorization document (if any) must be deposited with the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 24 hours before the time fixed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so wishes.
- Shareholders or their proxies attending the Meeting shall produce their identity documents.
- The proxy need not be a member of the Company but must attend the Meeting in person to represent you.