



TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0093)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Termbray Industries International (Holdings) Limited (the “**Company**”) will be held at Flat B, 8th Floor, Waylee Industrial Centre, 30–38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong on 28 December 2007 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company, with or without amendments:

ORDINARY RESOLUTION

- (1) “**THAT** the subscription agreement (the “Share Subscription Agreement”, a copy of which marked “A” has been produced to the meeting and signed by the Chairman of the meeting for the purpose of identification) dated 3 September 2007 between the Company and Lee & Leung (B.V.I.) Limited (the “Subscriber”) and pursuant to which, the Subscriber agreed to subscribe for 233,000,000 new shares of HK\$0.08 each in the share capital of the Company at a price of HK\$1.20 per share (the “Subscription Shares”) and the transactions contemplated thereunder, and the Company agreed to allot and issue the Subscription Shares ranking pari passu in all respects with all other existing shares of HK\$0.08 each in the Company as at the date of allotment of the Subscription Shares, be and are hereby approved.”
- (2) “**THAT** the sale and purchase agreement (the “Petro-king PRC Acquisition Agreement”, a copy of which marked “B” has been produced to the meeting and signed by the Chairman of the meeting for the purpose of identification) dated 10 October 2007 between the Company and Termbray Oilfield Services Limited (the “Purchaser”), pursuant to which the Purchaser agreed to acquire the entire registered and paid-up capital of Petro-king Oilfield Technology Limited at the consideration of RMB30,000,000, and the transactions contemplated thereunder be and are hereby approved.”
- (3) “**THAT** the sale and purchase agreement (the “Petro-king HK Acquisition Agreement”, a copy of which marked “C” has been produced to the meeting and signed by the Chairman of the meeting for the purpose of identification) dated 10 October 2007 between the Company, Mr. Wang Jinlong, Ms. Zhou Xiaojun and Ms. Kan Yimhung (the “HK Vendors”), the Purchaser, Termbray Oilfield Services (B.V.I.) Limited (the “Purchaser Holding Company”) and Mr. Wang Jinlong, Ms. Zhou Xiaojun, Mr. Zhao Jindong, Mr. Zhang Taiyuan, Mr. Zhong Wenxu, Ms. Sun Jinxia and Ms. Yin Chaohui (the “HK Guarantors”), and pursuant to which (i) the Purchaser agreed to acquire the sale shares representing 51% of the entire issued share capital of Petro-king International Company Limited (“Petro-king HK”) at the consideration of RMB225,000,000; and (ii) the Purchaser agreed to acquire the swap shares representing 49% of the issued share capital of Petro-king HK, and the transactions contemplated thereunder be and are hereby approved.”

- (4) “**THAT** the convertible notes subscription agreement (the “CN Subscription Agreement”, a copy of which marked “D” has been produced to the meeting and signed by the Chairman of the meeting for the purpose of identification) which will be entered into between the Company and King Shine Group Limited on the date of completion of the Petro-king HK Acquisition, pursuant to which the Company agrees to issue the convertible notes in the principal amount of HK\$133,692,000 at the initial conversion price of HK\$1.20 per conversion share, and the transactions contemplated thereunder be and are hereby approved.”
- (5) “**AND THAT** the directors of the Company be and are hereby authorized for and on behalf of the Company (i) to sign, seal, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as they may in their discretion consider necessary or desirable for the purpose of or in connection with implementation of the Share Subscription Agreement, the Petro-king PRC Acquisition Agreement, the Petro-king HK Acquisition Agreement and the CN Subscription Agreement (collectively, the “Agreements”), and the exercise or enforcement of any of the Company’s rights under the Agreements, including, inter alia, (a) upon the Agreements becoming unconditional, the authority to complete the Agreements and/or to procure completion of the same, and (b) the appointment of Mr. Wang Jinlong as the executive director of the Company upon completion of the acquisition of Petro-king HK pursuant to the Petro-king HK Acquisition Agreement; and (ii) to make and agree such variations of a non-material nature in the terms of the Agreements as they may in their discretion consider to be desirable and in the interests of the Company.”

By order of the Board
Termbray Industries International (Holdings) Limited
Lee Lap
Chairman

Hong Kong, 12 December 2007

Notes:

- (1) The ordinary resolution to be considered at the meeting will be decided by poll. Mr. Lee Lap together with his associates will abstain from voting on the ordinary resolution.
- (2) A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company.
- (3) Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such 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 in respect of such share, shall alone be entitled to vote in respect thereof.
- (4) A form of proxy for use at the meeting is enclosed.
- (5) To be valid, the 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 such power or authority, must be deposited at the head office and principal place of business of the Company at Flat B, 8th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting.
- (6) As at the date of this notice, the executive Directors are Mr. Lee Lap, Mdm. Leung Lai Ping, and Mr. Wong Shiu Kee; the non-executive Director is Mr. Lee Ka Sze, Carmelo; and the independent non-executive Directors are Dr. The Hon. Lee Tung Hai, Leo, G.B.M., G.B.S., LL.D, J.P., Mr. Chan Siu Kang and Mr. Lo Yiu Hee.