



(Incorporated in England and Wales under the Companies Act with registered No. 2173279)

This document is important and requires your IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own advice immediately from your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000.

If you no longer hold Ordinary Shares in **Fortune Oil PLC**, please forward this document (together with the Fortune Oil PLC Annual Report 2006) to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

This document contains:

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Notice of the Annual General Meeting of **Fortune Oil PLC** to be held at 11:00am on Tuesday, 19 June 2007 at Oriental Club, Stratford House, Stratford Place, London W1C 1ES, United Kingdom (nearest tube station: Bond Street) is set out on pages 4 and 5 of this document.

For shareholders, a form of proxy is on page 11 and if used, should be lodged at Proxy Processing Centre, Telford Road, Bicester OX26 4LD no later than 11:00am on 17 June 2007.

If you are a member of CREST you may register the appointment of a proxy by using the CREST electronic service. For further details, please refer to the CREST manual and the form of proxy enclosed with this document. Completion of a form of proxy or the appointment of a proxy electronically will not prevent you from attending the meeting and voting in person should you so wish.

letter from the chairman



11 May 2007

Dear Shareholder

Annual General Meeting (“AGM”) on Tuesday, 19 June 2007

I am pleased to enclose the Notice of AGM of Fortune Oil PLC and a copy of the Company’s 2006 Annual Report and Accounts. The AGM will be held at 11:00am on Tuesday, 19 June 2007 at Oriental Club, Stratford House, Stratford Place, London W1C 1ES, United Kingdom (nearest tube station: Bond Street).

Notice of Meeting

The Notice of Meeting is set out on pages 4 and 5 of this document. In addition to what is generally considered “routine” AGM business, two further resolutions will be proposed to: (i) (Resolution 9) seek authority from shareholders for the Company to increase the fees that the Company can pay to its Directors for their services as Directors; and (ii) (Resolution 12) entitle the Company to publish shareholder information, including the Interim Reports, Notices of general meetings and its Annual Report and Accounts on the Company website (as permitted by the 2006 Companies Act) as its default method of communication with its shareholders.

Resolution 9 – Increase in Directors’ Fees

Article 75 of the Company’s Articles of Association states that “until otherwise determined by the Company by ordinary resolution, there shall be paid to Directors such fees for their services in the office of Director as the Directors may determine (not exceeding in the aggregate an annual sum of £50,000 or such larger amount as the Company may by ordinary resolution decide) divided between the Directors as they agree, or failing agreement, equally.” This ordinary resolution proposes an increase in the maximum aggregate annual sum to £400,000. This is a maximum upper limit and not the actual sum that will be paid to Non-executive Directors.

The current maximum aggregate annual limit of £50,000 was set in 1987. Over the years, the overall responsibilities of Directors of listed companies have increased substantially in line with changes in Corporate Governance practices. It is therefore proposed that the Directors fees are increased to reflect the increasing time commitment and demands placed on Directors.

The increase also provides some headroom for any potential appointments as part of the Board succession planning strategy.

In considering this increase in the aggregate annual limit, shareholders are asked to consider the following:

- i. The current maximum aggregate amount of £50,000 was set 20 years ago and is not adequate to allow for payment at current market rates.
- ii. Fees payable to a Director for his/her services as a Director pursuant to Article 75 are distinct from any salary, remuneration paid in his/her capacity as employee of the Company. For this reason, it is generally relevant only to Non-executive Directors.
- iii. Currently, excluding QIAN Benyuan, Trevor BEDFORD, WANG Jinjun and Louisa HO, the other 4 Non-executive Directors have not received any remuneration/emoluments as employees or Directors of the Company.

Resolution 12 – Website publication of shareholders information

On 20 January 2007, new provisions within the Companies Act 2006 came into force concerning the ways in which a company is permitted to communicate with and supply information to its shareholders. Subject to a resolution being passed by its shareholders, or the inclusion of relevant provisions within its articles of association, a company can use its website to publish documents and communications, required or authorised to be sent or supplied by the Company, to its shareholders, such as the Annual Report and Accounts, as its default method of publication.

The Company would like to take advantage of these new regulations and therefore in the future it intends to publish shareholder information, which is required or authorised to be sent or supplied by the Company, including Interim Reports, Notices of general meetings and its Annual Report and Accounts, on the Company website at www.fortune-oil.com. Reducing the number of communications sent by post will not only result in cost savings to the Company but also reduce the impact that the unnecessary printing and distribution of reports has on the environment.

Passing Resolution 12 would allow the Company to send or supply documents and information to its shareholders by the making them available on the Company's website. Further details of this Resolution are included in the Notice of Annual General Meeting.

The Companies Act 2006 entitles the Company to invite shareholders to agree that shareholder information may be supplied by means of a website. Shareholders who do not confirm that they wish to continue to receive hard copies of such communications within 28 days of any such invitation are deemed to have agreed to the Company communicating with them by means of the website. Where shareholders agree (or are deemed to have agreed) to communication by means of the website, they must be notified by the Company, by post, of the availability of the relevant documents or information on the website.

Fortune Oil PLC shareholders would at all times continue to be entitled to request the Company to provide a paper copy of any documents which are provided by means of a website. Shareholders will also continue to be notified each time that Fortune Oil PLC places a communication on the Company website. This notification will be sent to you **by post**.

Actions to be taken in response to this invitation

If you wish to receive shareholder communications by the publication of such documents and information on the Company's website, you do not need to take any action in response to this invitation.

However, if you wish to continue to receive hard copies of these communications, you must return the invitation reply slip on page 13 and return it to Capita Registrars. If you do not return this slip within 28 days from the date of passing the relevant resolution at the Company's Annual General Meeting (i.e. 17 July 2007), we will assume that you have agreed to the publication of these documents and information on the Company's website and that you do not currently wish to receive hard copies in the post. Should you require further assistance, please contact shareholders' helpline on 0870 1623 100.

Your Board recommends that shareholders vote in favour of all resolutions being proposed at the Annual General Meeting, which it considers to be in the best interests of the Company and the shareholders as a whole. The Directors will be voting in favour of the resolutions in respect of their own shareholdings.

Yours sincerely

QIAN Benyuan

Chairman

notice of annual general meeting

Notice is hereby given that the Annual General Meeting of Fortune Oil PLC (the "Company") will be held at 11:00am on Tuesday, 19 June 2007 at Oriental Club, Stratford House, Stratford Place, London W1C 1ES, United Kingdom (nearest tube station: Bond Street) for the purposes of considering and, if thought fit, passing the following resolutions, of which Resolutions 1 to 10 will be proposed as ordinary resolutions and Resolutions 11 and 12 as special resolutions:

Ordinary Resolutions

1. To receive the Company's Annual Report and Accounts for the financial year ended 31 December 2006 together with the Directors' and the Auditors' Reports thereon.
2. To approve the Directors' Remuneration Report for the financial year ended 31 December 2006.
3. To re-appoint Ms LI Ching, who retires by rotation, as an Executive Director.
4. To re-appoint Mr ZHI Yulin, who retires by rotation, as a Non-executive Director.
5. To re-appoint Mr Dennis CHIU⁺⁺, who retires by rotation, as a Non-executive Director.
6. To re-appoint Mr Ian TAYLOR⁺⁺, who retires in accordance with A.7.2 of the Combined Code, as a Non-executive Director.
7. To re-appoint Mr QIAN Benyuan^{*}, who retires in accordance with A.7.2 of the Combined Code, as a Non-executive Director.
8. To re-appoint RSM Robson Rhodes LLP as Auditors to hold office from the conclusion of the meeting until the conclusion of the next general meeting at which the Annual Report and Accounts of the Company are laid before the Company at a remuneration to be determined by the Directors.
9. THAT in accordance with Article 75 of the Company's Articles of Association the maximum aggregate amount of fees payable to Directors for their services be increased from £50,000 per annum to £400,000 per annum.
10. THAT, in substitution for all existing authorities, the Directors be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) of the Company up to a maximum aggregate nominal amount of £5,636,641.32, such authority to expire at the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to such offer or agreement as if the authority conferred by this resolution had not expired.

Special Resolutions

11. THAT, subject to the passing of Resolution 10 above, the Directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) of the Company for cash pursuant to the authority conferred by Resolution 10 as if section 89(1) of the Act did not apply to such allotment provided that this power shall be limited to allotments:
 - 11.1 in connection with or pursuant to any offer of equity securities (whether by way of rights issue, open offer or otherwise) to holders of ordinary shares in the capital of the Company in the proportion (as nearly as may be practicable) to their respective holdings of such shares on such record date as may be prescribed by the Directors, in all cases subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of any jurisdiction or the requirements of any regulatory body or stock exchange; and

11.2 otherwise than pursuant to sub-paragraph 11.1 above, up to a maximum aggregate nominal amount of £918,168;

such power to expire at the conclusion of the next Annual General Meeting of the Company to be held after the passing of this Resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the power conferred hereby had not expired.

12. To consider and, if thought fit, pass the following as a special resolution:

“THAT:

12.1 the Company may send or supply any document or information that is required or authorised to be sent or supplied by the Company:

- i. under the Companies Acts (as defined in section 2 of the Companies Act 2006 (“the 2006 Act”)); or
- ii. pursuant to the Company’s Articles of Association; or
- iii. pursuant to any other rules or regulations to which the Company may be subject;

by making it available on a website;

12.2 the relevant provisions of the 2006 Act, which apply when documents sent under the Companies Acts are made available on a website, shall also apply, with any necessary changes, when any document or information is sent or supplied under the Company’s Articles of Association or other rules or regulations to which the Company may be subject;

12.3 this Resolution 12 shall supersede any provision of the Company’s Articles of Association to the extent that it is inconsistent with this resolution; and

12.4 any communication with a shareholder by making it available on the Company’s website rather than through the supply of hard copies to that shareholder’s address (as set out in the register of members) shall be subject to that shareholder having agreed or deemed to have agreed to such method of communication.”

By order of the Board

Fortune Oil PLC
6/F., Belgrave House
76 Buckingham Palace Road
London SW1W 9TQ
United Kingdom

Sandi CHOI

Company Secretary

11 May 2007

* *Member of the Remuneration Committee*

+ *Member of the Audit Committee*

Notes

1. *A member of the Company entitled to attend and vote at the Annual General Meeting may appoint one or more proxies (whether members or not) to attend and, on a poll, to vote instead of the member.*
2. *To be valid, the form of proxy and the power of attorney or other written authority (if any) under which it is signed (or a notarially certified copy of such power or written authority) must be deposited at Proxy Processing Centre, Telford Road, Bicester OX26 4LD, United Kingdom, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting at the meeting or adjourned meeting in person.*

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders registered in the register of members of the Company 48 hours before the time of the meeting or, if the meeting is adjourned, shareholders entered on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Subsequent changes to entries on the Company's register of members will be disregarded in determining the rights of any person to attend or vote at the meeting.

Those shareholders who hold shares through CREST may choose to appoint a proxy or proxies using CREST. The CREST Proxy Instruction must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instruction as described in the CREST Manual. Personal or sponsored members and those with a voting service provider should request the sponsor or provider to take the appropriate action.

Time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which our Registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Directors may treat a CREST Proxy Instruction, which purports to be or is expressed to be sent on behalf of a shareholder as sufficient evidence of the authority of the person sending that instruction to send it on behalf of the holder.

CREST Proxy Instructions must be received by our Registrars (ID RA10) by 6:00pm on Friday, 15 June 2007.

3. *By attendance at the Annual General Meeting (or any adjournment thereof) the attendees confirm that they are requesting, and are willing to receive, all communications made at that meeting relating to the Company's shares.*
4. *The following documents will be available for inspection at the registered office of the Company from the date of this Notice until the date of the Annual General Meeting during normal business hours on any weekday (bank holidays excluded), and at the place of the meeting from 15 minutes prior to and during the meeting:*
 - (a) *Copies of the Directors' letters of appointment;*
 - (b) *The register of Directors' interests in the Company's shares; and*
 - (c) *The Company's Articles of Association.*

Explanatory notes to the resolutions

Resolution 1 – Financial statements and Reports for the year ended 31 December 2006

The Directors of the Company must present the accounts, the Directors' and the Auditors' Reports to the meeting. These are contained in the Annual Report and Accounts for the year ended 31 December 2006.

Resolution 2 – Approval of the Directors' Remuneration Report

The full text of the Directors' Remuneration Report is contained on pages 31 to 40 of the Company's 2006 Annual Report and Accounts. Whilst the payment of remuneration to the Directors is not dependent on the passing of this Resolution, the Board will take the vote into account in considering the future development and operation of the Company's remuneration policy and practice.

Resolutions 3 to 7 – Re-appointment of Directors

The Company's Articles of Association require that every Director submit himself/herself for re-appointment every three years and will retire and seek re-appointment at the next Annual General Meeting. LI Ching and ZHI Yulin were last re-elected at the Annual General Meeting in 2003 and accordingly they will retire and seek re-appointment at the 2007 Annual General Meeting.

Article A.7.2 of The Combined Code provides that Non-executive Directors serving more than nine years should submit themselves for re-election every year. Dennis CHIU, a member of the Board since 1993, having been re-elected previously at the Annual General Meeting in 2006, is proposed for another one-year re-election by the shareholders. Ian TAYLOR has been a Non-executive Director since 1996. QIAN Benyuan has been a Non-executive Director since 1997. Resolutions 5-7 deal with the re-appointment of these Non-executive Directors who are retiring under the provisions of The Combined Code.

Biographical details and other information as required by The Combined Code on the Directors who are standing for re-election are set out on pages 20, 21 and 25 to 30 of the Corporate Governance section of the Company's 2006 Annual Report and Accounts.

Following the performance evaluation of the Board, its Committees and individual Directors, conducted shortly after the 2006 year end, the Board is satisfied that all the Directors including the Chairman continue to contribute effectively and demonstrate commitment to their roles on the Board and the Board Committees. It is therefore appropriate for the abovementioned individuals to continue to serve as Directors of the Company.

Resolution 8 – Re-appointment of Auditors

The Company is required to appoint auditors at each Annual General Meeting at which the Annual Report and Accounts are laid before the Company to hold office until the next such meeting.

Resolution 9 – Increase in Directors' Fees

Resolution 9, which will be proposed as an ordinary resolution, seeks approval from shareholders to increase the maximum aggregate amount of fees that the Company can pay to its Directors for their services as Directors in each year.

The fees paid to Trevor BEDFORD and WANG Jinjun, for their services in the office of Director, as set out in the Company's 2006 Annual Report and Accounts were amounted to £34,000 in total. The fees paid to the remaining two Non-executive Directors were paid by a subsidiary of the Company.

Full details of fees paid to Non-executive Directors are included in section 2 of the Remuneration Report in the Company's 2006 Annual Report and Accounts.

Details of the Company's current policy and practice on remuneration are also given in the Remuneration Report are set out on page 31 of the Company's 2006 Annual Report and Accounts.

Resolution 10 – Authority to allot shares

Under section 80 of the Act, the Directors of the Company may allot relevant securities if authorised to do so. The authority given to the Directors at the last Annual General Meeting expires at the conclusion of this year's Annual General Meeting.

Resolution 10 seeks approval from the shareholders for the Directors to allot relevant securities up to an aggregate nominal amount of £5,636,641.32, which represents 563,664,132 ordinary shares of 1p each, being the unissued ordinary share capital available for allotment.

The Company will consider the allotment of unissued shares to finance business opportunities and the Directors will act in the best interests of the Company and shareholders generally, in taking advantage of business opportunities as they arise and to manage the Company's capital base more effectively.

The Directors do not have any present intention of exercising this authority other than in connection with the Group's employee share scheme.

The total number of employee share options outstanding over unissued shares as at 11 May 2007, the latest practicable date before the printing of this Notice, was 8,000,000 under the China Scheme (as defined on page 33 in the Company's 2006 Annual Report and Accounts). This figure represents 0.44 per cent of the issued share capital of the Company at that date.

The Company currently does not hold any treasury shares as defined by section 162A of the Act.

Resolution 11 – Disapplication of pre-emption rights

Resolution 11, which will be proposed as a special resolution, seeks approval from the shareholders for the Directors to allot equity securities for cash as if section 89 (1) of the Act (which gives shareholders certain pre-emption rights on the issue of equity securities) does not apply to such allotment. The authority allows the Directors to allot equity securities for cash other than in accordance with section 89 of the Act in connection with rights issues and other offers pro rata to existing holdings and otherwise up to an aggregate nominal amount of £918,168, representing 91,816,800 ordinary shares (equivalent to 5 per cent of the current issued ordinary share capital of the Company) as at 11 May 2007, the latest practicable date before the printing of this Notice.

Both Resolutions 10 and 11 are consistent with the recommendations of the Investment Committees of the National Association of Pension Funds (NAPF) and the Association of British Insurers (ABI).

The authorities granted under Resolutions 10 and 11 will expire at the conclusion of the next Annual General Meeting to be held after the passing of these Resolutions.

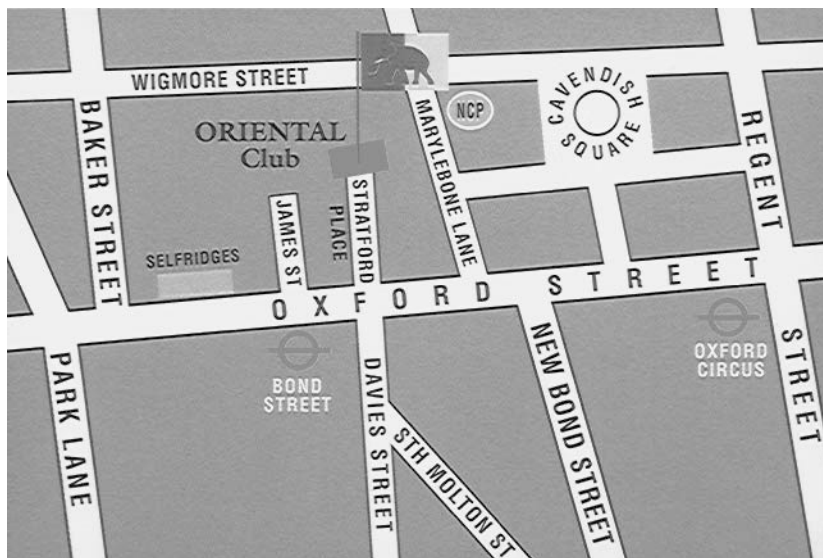
Resolution 12 – Electronic Communications and the Companies Act 2006

New provisions in the Companies Act 2006, introduced on 20 January 2007, provide companies with wider powers to use electronic means to communicate with its shareholders. In the future, subject to the passing of Resolution 12, the Company will be able to send or supply any documents or information that it is required or authorised to be sent or supplied by the Company to shareholders who consent or who are deemed to have consented to this by placing such documents and information (including Interim Reports, Notices of general meetings and Annual Report and Accounts) on a website and notifying them in writing by post that such documents are available. By taking advantage of these new provisions, we will not only be able to reduce printing and mailing costs but also to reduce the impact of those activities on the environment.

Shareholders who wish to continue to receive hard copy documents should notify the Company's Registrars by completing the Invitation Reply Slip on page 13 and returning it to Capita Registrars on or before 17 July 2007.

ORIENTAL CLUB

Stratford House, Stratford Place, London W1C 1ES (nearest tube station: Bond Street).



Dress regulations

There are dress regulations for guests at the Oriental Club.

In order to avoid embarrassment and as a matter of courtesy, shareholders (gentlemen) are asked if possible to wear a tie and jacket. However, we have the assurance from the Club Manager that the Club will have ties and jackets available if necessary.

FORTUNE OIL PLC

Annual General Meeting – Form of Proxy

I/We.....
 (Please insert full name(s) and address(es) in block letters)

of

being member/member(s) of the above named Company, hereby appoint the Chairman of the Meeting or (see Note 1 below)

.....of as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11am on Tuesday 19 June 2007 at Oriental Club, Stratford House, Stratford Place, London W1C 1ES, United Kingdom and at any adjournment thereof.

Please indicate how you wish your proxy to vote by inserting "X" in the box provided. If no indication is given, your proxy will vote or abstain from voting as he/she thinks fit.

ORDINARY RESOLUTIONS	For	Against	Vote Withheld (Note 6)
1. To receive the Company's Annual Report and Accounts for the financial year ended 31 December 2006 together with the Directors' and the Auditors' Reports for that year			
2. To approve the Directors' Remuneration Report for the financial year ended 31 December 2006			
3. To re-appoint LI Ching as an Executive Director			
4. To re-appoint ZHI Yulin as a Non-executive Director			
5. To re-appoint Dennis CHIU** as a Non-executive Director			
6. To re-appoint Ian TAYLOR** as a Non-executive Director			
7. To re-appoint QIAN Benyuan* as a Non-executive Director			
8. To re-appoint RSM Robson Rhodes LLP as Auditors and to authorise the Directors to fix their remuneration			
9. To increase the maximum aggregate amount of the Directors' fees from £50,000 to £400,000			
10. To authorise the Directors to allot relevant securities of the Company pursuant to section 80 of the Companies Act 1985			
SPECIAL RESOLUTIONS	For	Against	Vote Withheld (Note 6)
11. To empower the Directors to allot equity securities of the Company pursuant to section 95 of the Companies Act 1985			
12. To empower the Company to send or supply any documents or information that is required or authorised to be sent or supplied by the Company by making it available on its website under the 2006 Companies Act			

* Member of the Remuneration Committee

+ Member of the Audit Committee

Signature(s) or Common seal

Date

Notes

1. A member is entitled to appoint a proxy of his own choice. If another proxy is preferred delete the words "the Chairman of the Meeting", initial the alteration and insert the name of the person you wish to be appointed proxy in the space provided. A proxy need not be a member of the Company.
2. If the appointer is a corporation this form must be under its common seal or under the hand of an officer duly authorised in that behalf.
3. In the case of joint holders the signature of any one holder will be sufficient but the names of all joint holders should be stated and the vote of the senior member(s) who tenders a vote will be accepted to the exclusion of the votes of the other joint holders, seniority being determined by the order in which the names stand in the register of members of the Company.
4. To be valid this form must be completed and lodged at the address overleaf not less than 48 hours before the time fixed for holding the meeting, or adjourned meeting, together with any authority under which it is signed or a notarially certified copy of such authority.
5. Completion and return of this form does not preclude a member from subsequently attending and voting at the meeting, or adjourned meeting, in person if a member so wishes.
6. The "Vote Withheld" option is provided to enable you to abstain on any particular resolution. It should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.



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Please
affix
postage
stamp

**Proxy Processing Centre
Telford Road
Bicester OX26 4LD
United Kingdom**

Second fold

First fold

INVITATION REPLY SLIP

I/We wish to continue to receive paper copies of communications from:



Fortune Oil PLC

**Please complete your name and address and return this invitation reply slip
to the below address on or before 17 July 2007**

Full Name of Shareholder(s) as shown on the register (in block capitals)

Full Address of Shareholder(s) (in block capitals)

.....

.....

.....

Signature of Shareholder(s)

Date:

Return To:

Capita Registrars
Shareholder Administration Support
34 Beckenham Road
Beckenham
Kent BR3 9ZA
United Kingdom



Third fold and tuck in edge

Please
affix
postage
stamp

Capita Registrars
Shareholder Administration Support
34 Beckenham Road
Beckenham
Kent BR3 9ZA
United Kingdom

First fold

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