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CITIC RESOURCES HOLDINGS LIMITED

(formerly known as South East Asia Wood Industries Holdings Limited)

(incorporated in Bermuda with limited liability)

Website: www.citicresources.com

WAIVER FROM PUBLIC FLOAT REQUIREMENT

The public float of the Company is below 25% of the issued share capital of the Company. The Stock Exchange has granted the Company a further waiver until 31 December 2002 from strict compliance with the minimum 25% public float requirement.

Should compliance with Rule 8.08 not be achieved by 31 December 2002, the Company will make an application for a further waiver to the Stock Exchange however the waiver may or may not be granted. **Shareholders of the Company and investors are advised to exercise caution when dealing in the Shares.**

As previously announced by CITIC Resources Holdings Limited (the "Company") in its announcements dated 31 July, 14 August, 27 September and 31 October 2002, the number of shares of HK\$0.05 each of the Company (the "Shares") held by the public has since 25 June 2002 been 15.06% of the issued share capital of the Company as a result of the conversion of HK\$1,000 million floating rate convertible loan notes by Keentech Group Limited ("Keentech"). The waiver from strict compliance with the minimum 25% public float requirement of Rule 8.08 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") previously granted to the Company by The Stock Exchange of Hong Kong Limited ("the Stock Exchange") expires on 30 November 2002.

Since the granting of the waiver, the Company has reviewed the position of its public float regularly with its financial advisers. However, due to the persistently poor economic conditions, the Company has not been able to take any appropriate action that would have been in the interests of the Company and its shareholders to restore its public float. Shareholders are advised that the Company has obtained from the Stock Exchange a further waiver until 31 December 2002.

Each of the Company and its two largest shareholders, United Star International, Inc. and Keentech which are holding approximately 43.68% and 41.26% respectively of the issued share capital of the Company, has undertaken to the Stock Exchange to use its best commercial efforts to restore the public float of the Company. Should compliance with Rule 8.08 not be achieved by 31 December 2002, the Company will make an application for a further waiver to the Stock Exchange however the waiver may or may not be granted.

The Stock Exchange has stated that it will closely monitor trading and price movement in the Shares. A further announcement will be made upon the restoration of the public float or the lapse of the requested waiver.

If the Stock Exchange believes that (a) a false market exists or may exist in the Shares; or (b) there are too few Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend trading in the Shares. Shareholders of the Company and investors are advised to exercise caution when dealing in the Shares.

By Order of the Board
CITIC Resources Holdings Limited
Peter Kwok Viem
Chairman