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CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

Website: www.citicresources.com

(Stock Code: 1205)

PROPOSED NOTES ISSUE

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Issuer, a wholly-owned subsidiary of the Company, proposes to issue the Notes which, if issued, will be fully and unconditionally guaranteed by the Company. The Company and the Issuer have not yet entered into any Purchase Agreement with the Underwriters in respect of the issue of the Notes. The Company will make a further announcement if the Issuer proceeds with the issue of the Notes.

The terms and conditions of the Notes will contain a right for the holders of the Notes to request a redemption of their Notes if (a) the Issuer ceases to be a wholly-owned subsidiary of the Company, or (b) the government of the PRC and persons under its control, directly or indirectly, cease to own or control at least 50% of the Company's issued share capital.

The Preliminary Offering Circular relating to the Notes has been, or will be, made available to selected potential institutional investors. The Preliminary Offering Circular includes certain previously unpublished corporate and financial information regarding the Group and the RNL Group. Certain particulars from this information have been disclosed in the Transaction Announcement. In addition, an extract of such information will be made available on the Company's website www.citicresources.com.

As the documentation relating to the proposed Issue is subject to negotiation and finalisation, the Company may or may not proceed with the Issue. Accordingly, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

PROPOSED NOTES ISSUE

Issue of Notes and Guarantee

The Issuer proposes to issue the Notes and, if issued, will be fully and unconditionally guaranteed by the Company. The Notes and the Guarantee will constitute unsecured senior debt obligations of the Issuer and the Company respectively. The final principal amount of the Notes and the interest rate, the offer price and the final terms and conditions of the Notes will be determined by the Company and the Issuer, following discussions with the Underwriters.

The Company and the Issuer have not yet entered into any Purchase Agreement with the Underwriters in respect of the issue of the Notes. Therefore, there is no obligation on the part of the Issuer to issue the Notes or on the part of the Company to execute the Guarantee. The Company will make a further announcement if the Issuer proceeds with the issue of the Notes.

As the documentation relating to the proposed Issue is subject to negotiation and finalisation, the Company may or may not proceed with the Issue. Accordingly, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

Control of the Issuer and the Company

The terms and conditions of the Notes will, if issued, contain a right for the holders of the Notes to request a redemption of their Notes if (a) the Issuer ceases to be a wholly-owned subsidiary of the Company, or (b) the government of the PRC and persons under its control, directly or indirectly, cease to own or control at least 50% of the Company's issued share capital.

Proposed Use of Proceeds

The Company intends to use the potential net proceeds of the offering of the Notes to finance the Transaction, and thereby acquire an indirect interest in the Karazhanbas oilfield in the Republic of Kazakhstan. Details of the Transaction are set out in the very substantial acquisition and connected transaction announcement of the Company dated 8 May 2007.

UPDATED INFORMATION OF THE GROUP AND THE RNL GROUP

The Preliminary Offering Circular has been, or will be, made available to selected potential institutional investors. The Preliminary Offering Circular includes certain previously unpublished corporate and financial information regarding the Group and the RNL Group. Certain particulars from this information have been disclosed in the Transaction Announcement. In addition, an extract of such information will be made available on the Company's website www.citicresources.com.

DEFINITIONS

As used in this announcement, the following words and phrases have the same meanings assigned:

“CITIC Group”	CITIC Group, a company incorporated in the PRC
“Company”	CITIC Resources Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange

“Group”	the Company and its subsidiaries
“Guarantee”	the unconditional guarantee expected to be given by the Company in respect of the obligations of the Issuer under the Notes
“Issue”	the issue of the Notes by the Issuer
“Issuer”	CITIC Resources Finance (2007) Limited, incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	benchmark size/intermediate term notes to be issued by the Issuer
“PRC”	the People’s Republic of China
“Preliminary Offering Circular”	a preliminary offering circular issued by the Issuer in relation to the Notes
“Purchase Agreement”	the agreement proposed to be entered into between the Company, the Issuer and the Underwriters in relation to the Issue pursuant to which the Underwriters will act as the initial purchasers of the Notes
“RNL”	Renowned Nation Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of CITIC Group
“RNL Group”	the group of companies comprising RNL and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the purchase from CITIC Group of (i) the entire issued share capital of RNL and (ii) the benefit of indebtedness in the approximate amount of US\$1,003,500,000 owing by KBM Energy Limited to CITIC Group
“Transaction Announcement”	the announcement of the Company dated 8 May 2007 relating to the Transaction
“Underwriters”	the underwriters in respect of the issue of the Notes

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

Hong Kong, 8 May 2007

As at the date hereof, the executive directors of the Company are Mr. Kwok Peter Viem; Mr. Ma Ting Hung; Mr. Shou Xuancheng; Mr. Sun Xinguo; Ms. Li So Mui; Mr. Mi Zengxin; Mr. Qiu Yiyong; Mr. Zeng Chen and Mr. Zhang Jijing, and the independent non-executive directors are Mr. Fan Ren Da, Anthony; Mr. Ngai Man and Mr. Tsang Link Carl, Brian.

Please also refer to the published version of this announcement in The Standard.