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CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

EXERCISE OF OPTION TO ACQUIRE 90% INTEREST IN TINCY GROUP ENERGY RESOURCES LIMITED

Reference is made to the announcements of the Company dated 8 May 2007 and 18 July 2007 in relation to the Option.

Sale and Purchase Agreement

On 28 September 2007, CITIC Haiyue exercised the Option by entering into the Sale and Purchase Agreement with Far Great and the shareholders of Far Great to purchase the Option Shares for a consideration of US\$148,183,648, subject to adjustments as provided for in the Sale and Purchase Agreement.

Tincy Group is the contractor under the PSC and holds the right to explore, develop and operate the Hainan-Yuedong Block until 2034. After relinquishment of certain parts of the contract area within the Hainan-Yuedong Block in accordance with the terms of the PSC, the retained contract area under the PSC will cover an area of approximately 110 square kilometres. The principal field within the Hainan-Yuedong Block, the Yuedong oilfield, has an estimated total recoverable proved, probable and possible oil reserves of about 63.5 million barrels as of 30 June 2007, according to a reserve evaluation report prepared by Sproule International Limited, an independent oil and gas consultant. The Yuedong oilfield is currently in the appraisal and development stage. The Company plans to develop the Yuedong oilfield and pending the Company's appraisal, other areas in the Hainan-Yuedong Block with oil reserves.

Possible Co-operation with CNPC

Subject to Completion, Tincy Group will co-operate with CNPC to develop the Hainan-Yuedong Block and engage CNPC to carry out certain oil operations under the PSC on terms to be agreed by Tincy Group and CNPC in an operation agreement.

Listing Rules Implications

Based on the calculation of the percentage ratios under Rule 14.07 of the Listing Rules as at the date of the Sale and Purchase Agreement, all of the relevant percentage ratios are less than 5%. Accordingly, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

Reference is made to the announcements of the Company dated 8 May 2007 and 18 July 2007 in relation to the Option. The Company is pleased to announce that CITIC Haiyue has exercised the Option on 28 September 2007 by entering into the Sale and Purchase Agreement with Far Great and the shareholders of Far Great to purchase the Option Shares.

SALE AND PURCHASE AGREEMENT

Date

28 September 2007

Parties

- (1) CITIC Haiyue
- (2) Far Great
- (3) shareholders of Far Great

Consideration and Retention of Consideration

The Consideration for the sale and purchase of the Option Shares is US\$148,183,648, subject to adjustments as provided for in the Sale and Purchase Agreement. The Consideration has been adjusted from the initial consideration of US\$150,000,000 following CITIC Haiyue's due diligence review. The Consideration was determined after arms' length negotiations between the parties after taking into account, among other things, the financial position of Tincy Group and its future prospects with reference to the prevailing commercial and business conditions in which Tincy Group operates.

CITIC Haiyue will retain the Retention and the Related Party Debt Retention from the Consideration (about US\$59,352,834 in total) for the purposes of settling any subsequent claim against Far Great and certain liabilities of Tincy Group. In the absence of any claims, the Retention and the Related Party Debt Retention shall be released to Far Great in accordance with the terms of the Sale and Purchase Agreement.

The Consideration, after deducting the amount of US\$15,449,595 in settlement of the repayment of the Loan and accrued interest up to the date of Completion (assuming Completion takes place on 10 October 2007) and the Retention, shall be paid by the Company wholly in cash as follows:

- (a) as to 60%, at Completion; and
- (b) as to 40%, minus the Related Party Debt Retention (if any), on the thirtieth day after Completion.

Completion

Completion is not conditional on the satisfaction of any conditions precedent and is expected to take place on 10 October 2007 (or at such other time as the parties shall agree).

REASONS FOR ENTERING INTO THE ACQUISITION

The Company is focused on enhancing its oil investments. The Group currently owns a 51% participating interest in, and is the operator of, the Seram Island Non-Bula Block production sharing contract and has recently agreed conditionally to acquire 50% of CITIC Group's interest in the Karazhanbas oilfield in Kazakhstan. The Acquisition permits the Company to gain access to an oilfield with sizeable reserves and gives the Company an opportunity to further develop its energy resources. The Company believes that the transaction represents another important step for the Group's business development in the energy sector and is in line with its long term development strategy of becoming the natural resources arm of CITIC Group.

POSSIBLE CO-OPERATION WITH CNPC

Subject to Completion, Tincy Group will co-operate with CNPC to develop the Hainan-Yuedong Block and engage CNPC to carry out certain oil operations under the PSC on terms to be agreed by Tincy Group and CNPC in an operation agreement.

INFORMATION ON THE COMPANY

The Company is a diversified energy and natural resources investment holding company and has interests in oil, aluminium smelting, coal, import and export of commodities and manganese business through its subsidiaries. The current principal operating businesses of the Group are located in Australia, the PRC and Indonesia.

INFORMATION ON CITIC HAIYUE

CITIC Haiyue is an indirect wholly-owned subsidiary of the Company.

INFORMATION ON TINCY GROUP

Tincy Group is a wholly-owned subsidiary of Far Great. The principal activity of Tincy Group is the exploration and production of crude oil in the PRC.

Tincy Group is the contractor under the PSC and holds the right to explore, develop and operate the Hainan-Yuedong Block until 2034. After relinquishment of certain parts of the contract area within the Hainan-Yuedong Block in accordance with the terms of the PSC, the retained contract area under the PSC will cover an area of approximately 110 square kilometres. The principal field within the Hainan-Yuedong Block, the Yuedong oilfield, has an estimated total recoverable proved, probable and possible oil reserves of about 63.5 million barrels as of 30 June 2007, according to a reserve evaluation report prepared by Sproule International Limited, an independent oil and gas consultant. The Yuedong oilfield is currently in the appraisal and development stage. The Company plans to develop the Yuedong oilfield and pending the Company's appraisal, other areas in the Hainan-Yuedong Block with oil reserves.

INFORMATION ON FAR GREAT

The principal business activity of Far Great is investment holding.

To the best of the knowledge, information and belief of the Company, and having made all reasonable enquiries, Far Great and its ultimate beneficial owner are independent third parties not connected with the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries, or their respective associates.

LISTING RULES IMPLICATIONS

Based on the calculation of the percentage ratios under Rule 14.07 of the Listing Rules as at the date of the Sale and Purchase Agreement, all of the relevant percentage ratios are less than 5%. Accordingly, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

The following defined terms are used in this announcement:

“Acquisition”	the purchase of the Option Shares by CITIC Haiyue in accordance with the Sale and Purchase Agreement
“associate”	has the meaning ascribed thereto in the Listing Rules
“CITIC Group”	CITIC Group, a company incorporated in the PRC and the parent company of the Company
“CITIC Haiyue”	CITIC Haiyue Energy Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“CNPC”	China National Petroleum Corporation, a state-owned enterprise incorporated in the PRC
“Company”	CITIC Resources Holdings Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Stock Exchange
“Completion”	completion of the Acquisition
“Consideration”	the consideration of US\$148,183,648, payable by CITIC Haiyue to Far Great for the purchase of the Option Shares, subject to adjustments as provided for in the Sale and Purchase Agreement
“Directors”	the directors of the Company
“Far Great”	Far Great Investments Limited, a company incorporated in the British Virgin Islands
“Group”	the Company and its subsidiaries
“Hainan-Yuedong Block”	the Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“Loan”	the loan of US\$15,000,000 advanced by CITIC Haiyue to Far Great pursuant to the loan agreement dated 1 May 2007 entered into between CITIC Haiyue (as lender), Far Great (as borrower) and Tincy Group
“Option”	an exclusive, irrevocable and unconditional right to enter into and execute the Sale and Purchase Agreement with Far Great and the shareholders of Far Great to purchase the Option Shares for an initial consideration of US\$150,000,000, subject to adjustments as provided for in the Sale and Purchase Agreement
“Option Agreement”	the option agreement dated 1 May 2007 entered into between CITIC Haiyue, Far Great and the shareholders of Far Great in relation to the Option, as amended by the Side Agreement
“Option Shares”	9,000,000 shares of Tincy Group (representing 90% of the shares of Tincy Group in issue and fully paid)
“PRC”	the People’s Republic of China
“PSC”	the Petroleum Contract dated 24 February 2004 for the development and production of the Hainan-Yuedong Block entered into between CNPC and Tincy Group
“Related Party Debt Retention”	an aggregate amount of US\$36,320,000, to be retained from the Consideration in accordance with the Sale and Purchase Agreement in respect of certain liabilities owed by Tincy Group to related parties
“Retention”	an aggregate amount of US\$23,032,834, to be retained from the Consideration in accordance with the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the sale and purchase agreement dated 28 September 2007 between CITIC Haiyue, Far Great and the shareholders of Far Great in relation to the sale and purchase of the Option Shares, as amended by the Side Agreement
“Shares”	ordinary shares of HK\$0.05 each in the share capital of the Company
“Side Agreement”	the side agreement dated 28 September 2007 between CITIC Haiyue, Far Great and the shareholders of Far Great in relation to the amendment of certain terms to the Option Agreement and the Sale and Purchase Agreement following CITIC Haiyue’s due diligence review of Tincy Group
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tincy Group”	Tincy Group Energy Resources Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of Far Great

“HK\$” the lawful currency of Hong Kong

“US\$” the lawful currency of the United States of America

By order of the Board
CITIC Resources Holdings Limited
Sun Xinguo
Chief Executive Officer

Hong Kong, 28 September 2007

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