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## **CITIC RESOURCES HOLDINGS LIMITED**

*(incorporated in Bermuda with limited liability)*

(Stock Code: 1205)

**PROPOSED RIGHTS ISSUE OF 788,682,657 RIGHTS SHARES  
AT HK\$3.20 EACH  
ON THE BASIS OF THREE (3) RIGHTS SHARES  
FOR EVERY TWENTY (20) SHARES  
HELD ON THE RECORD DATE**

**Underwriters to the Rights Issue**

**Keentech Group Limited**

**(subsidiary of CITIC Group)**

**Ellington Investments Pte. Ltd.**

**(subsidiary of Temasek Holdings (Private) Limited)**

**Financial adviser to the Company**

**Morgan Stanley**

**Morgan Stanley Asia Limited**

### **PROPOSED RIGHTS ISSUE**

The Company proposes to raise HK\$2,523.8 million before expenses by way of the Rights Issue of 788,682,657 Rights Shares at the Subscription Price of HK\$3.20 per Rights Share on the basis of three (3) Rights Shares for every twenty (20) existing Shares held as at the close of business on the Record Date.

Pursuant to the Rights Issue, the Qualifying Shareholders will be provisionally allotted three (3) Rights Shares in nil-paid form for every twenty (20) existing Shares held as at the close of business on the Record Date. Fractional entitlements to Rights Shares will not be provisionally allotted but will be aggregated and allotted to satisfy excess applications and/or sold for the benefit of the Company.

The Rights Issue is not available to the Excluded Shareholders.

As at the date of this announcement, the Company has 57,000,000 outstanding vested Share Options entitling the Share Optionholders to subscribe for 57,000,000 Shares. Each of the Share Optionholders has irrevocably undertaken to the Company and each of the Underwriters that he or she will not exercise such Share Options up to and including the Record Date.

The estimated net proceeds of the Rights Issue of HK\$2,505.7 million will enhance the financial condition of the Company by improving its gearing ratio. In addition, the net proceeds of the Rights Issue will also be applied by the Group towards funding its future investments and working capital and general corporate purposes.

As at the date of this announcement, Keentech is directly interested in 1,990,180,588 Shares representing 37.85% of the issued share capital of the Company and Ellington is directly interested in 202,000,000 Shares representing 3.84% of the issued share capital of the Company.

The Underwritten Shares will be fully underwritten by Keentech and Ellington on the terms and subject to the conditions set out in the Underwriting Agreement. If the Underwriters terminate the Underwriting Agreement (see sub-section headed “Termination of the Underwriting Agreement” below) or the conditions of the Rights Issue (see sub-section headed “Conditions of the Rights Issue” below) are not fulfilled, the Rights Issue will not proceed and will lapse.

**As the Rights Issue may or may not proceed, Shareholders and potential investors should exercise caution when dealing in the Shares or Rights Shares in their nil-paid form, and if they are in any doubt about their position, they are recommended to consult their professional adviser(s). Moreover, investors’ attention is drawn to the section headed “Warning of the risks of dealing in the Shares and the nil-paid Rights Shares” below.**

**The last day of dealing in the Shares on a cum-rights basis is Wednesday, 11 June 2008. The Shares will be dealt with on an ex-rights basis from Thursday, 12 June 2008. The Rights Shares are expected to be dealt with in their nil-paid form from Tuesday, 24 June 2008 to Wednesday, 2 July 2008 (both days inclusive). To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company as at the close of business on the Record Date. In order to be registered as a member of the Company on the Record Date, any transfer of the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Company’s share registrar, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, by 4:30 p.m. on Friday, 13 June 2008. The Acceptance Date is expected to be on Monday, 7 July 2008 or such other date as the Company and the Underwriters may agree in writing.**

**Any dealings in the Shares from now up to the date on which all conditions to which the Rights Issue are subject must be satisfied before the Rights Issue becomes unconditional (which is expected to be Wednesday, 16 July 2008), or in the Rights Shares in nil-paid form on the Stock Exchange during the period in which they may be traded in their nil-paid form, will bear the risk that the Rights Issue may not become unconditional or may not proceed.**

**Shareholders and potential investors of the Company should therefore exercise caution when dealing in the Shares or the Rights Shares in their nil-paid form, and if they are in any doubt about their position, they should consult their professional adviser(s).**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms.

## **GENERAL**

The Prospectus containing, among other things, further details of the Rights Issue will be despatched by the Company to the Qualifying Shareholders on the Posting Date and for information only, to the Excluded Shareholders (if any) as soon as practicable. The provisional allotment letters and the forms of application for excess Rights Shares will also be sent to the Qualifying Shareholders on the Posting Date.

## **PROPOSED RIGHTS ISSUE**

### **Issue statistics**

Basis of the Rights Issue:	Three (3) Rights Shares for every twenty (20) existing Shares held as at the close of business on the Record Date
Subscription Price:	HK\$3.20 per Rights Share
Number of existing Shares in issue:	5,257,884,381 Shares as at the date of this announcement
Number of Rights Shares:	788,682,657 Rights Shares
Underwriters:	Keentech and Ellington

The number of Rights Shares which may be issued pursuant to the Rights Issue will be increased in proportion to any additional Shares which may be allotted and issued on or before the Record Date pursuant to the exercise of the Share Options. As at the date of this announcement, the Company has 57,000,000 outstanding vested Share Options entitling the Share Optionholders to subscribe for 57,000,000 Shares. Each of the Share Optionholders has irrevocably undertaken to the Company and each of the Underwriters that he or she will not exercise such Share Options up to and including the Record Date. Save for the outstanding Share Options, there are no other convertible securities, options or warrants in issue which would otherwise confer any right to subscribe for, convert or exchange into the new Shares as at the date of this announcement.

### **Qualifying Shareholders**

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company as at the close of business on the Record Date. In order to be registered as a member of the Company on the Record Date, any transfer of the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Company's share registrar by 4:30 p.m. (Hong Kong time) on Friday, 13 June 2008.

The share registrar of the Company is: Tricor Tengis Limited  
26/F, Tesbury Centre  
28 Queen's Road East  
Wanchai, Hong Kong

The Company will send the Rights Issue Documents to the Qualifying Shareholders on the Posting Date. The Company will send only the Prospectus to the Excluded Shareholders (if any) for information purposes.

### **Closure of register of members**

The register of members of the Company will be closed from Monday, 16 June 2008 to Thursday, 19 June 2008, both days inclusive. No transfers of Shares will be registered during this period.

## **TERMS OF THE RIGHTS ISSUE**

### **Subscription Price**

HK\$3.20 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or application for excess Rights Shares or when a renouncee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of 27.77% to the closing price of HK\$4.430 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of 25.51% to the average closing price of HK\$4.296 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of 25.60% to the average closing price of HK\$4.301 per Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of 17.97% to the average closing price of HK\$3.901 per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day; and
- (v) a discount of 25.06% to the theoretical ex-right price of HK\$4.270 based on the closing price of HK\$4.430 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriters with reference to the prevailing market price of the Shares and current market conditions.

The Directors consider the terms of the Rights Issue and the Subscription Price to be fair and reasonable and the Rights Issue to be in the best interests of the Group and Shareholders as a whole.

### **Basis of Provisional Allotments**

Three (3) Rights Shares (in nil-paid form) for every twenty (20) existing Shares held by Qualifying Shareholders as at the close of business on the Record Date.

### **Status of the Rights Shares**

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with all existing Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares.

### **Certificates for the Rights Shares**

Subject to the fulfillment by the Company of the conditions to the Rights Issue as contained in the Underwriting Agreement, certificates for fully-paid Rights Shares are expected to be posted by ordinary mail on or about Tuesday, 15 July 2008 to those Qualifying Shareholders who have paid for and have accepted the Rights Shares, at such Qualifying Shareholders' own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares are also expected to be posted by ordinary mail on or about Tuesday, 15 July 2008 at such Shareholders' own risk.

## **Fractions of the Rights Shares and Rights Shares which would have been allotted to Excluded Shareholders had they been Qualifying Shareholders**

The Company will not provisionally allot and issue and will not accept applications for any fractions of the Rights Shares. The Company may sell in the market any nil-paid Rights Shares created by adding fractions of the Rights Shares, if any, and if the Company does so, it will keep the net proceeds for its own benefit. Any unsold fractions of Rights Shares will be available for excess Rights Shares applications.

In the case of Rights Shares (excluding fractional entitlements) which would have been allotted to Excluded Shareholders had they been Qualifying Shareholders, the Company shall use its reasonable endeavours to procure that all or as many as possible of such Rights Shares are sold on the Stock Exchange nil paid at such a premium in excess of the expenses of sale as may reasonably be obtained as soon as reasonably practicable after the commencement of dealings in the nil-paid Rights Shares but before the latest time for dealings in nil-paid Rights Shares. The Company will distribute to the Excluded Shareholders the net proceeds of such sale of the Rights Shares (pro rata to their entitlement to Rights Shares had they been Qualifying Shareholders) except that a sum due to any Excluded Shareholder of less than HK\$100 will not be distributed but will be retained, along with the proceeds of the sale of fractional entitlements, by the Company for its own use and benefit. In the event that such Rights Shares are not sold on the Stock Exchange, they will become part of the excess Rights Shares available for application by the Qualifying Shareholders.

### **Excluded Shareholders**

The Directors will make enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules as to the applicable securities legislation of the relevant overseas jurisdictions or the requirements of any relevant regulatory body or stock exchange for the issue of the Rights Shares to the Overseas Shareholders and the results of the enquiries will be included in the Prospectus. If, after making such enquiries, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction, not to offer the Rights Shares to any of the Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders.

Accordingly, the Rights Issue will not be extended to the Excluded Shareholders and no Rights Shares will be provisionally allotted to them. The Company will send the Prospectus to the Excluded Shareholders for their information only. The basis of exclusion of the Excluded Shareholders, if any, from the Rights Issue will be disclosed in the Prospectus.

**Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.**

### **Application for excess Rights Shares**

A Qualifying Shareholder shall be entitled to apply for (a) any unsold Rights Shares created by adding together fractions of the Right Shares; and (b) any Rights Shares provisionally allotted but not accepted by other Qualifying Shareholders.

Application may be made by completing the form of application for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Board will allocate the excess Rights Shares at its discretion on a fair and reasonable basis (such as pro-rata basis by reference to the number of excess Rights Shares applied for by each Qualifying Shareholder), and may give preference to topping-up odd lots to whole board lots. The Directors consider such an allocation basis to be fair and reasonable.

## **Application for Listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. Nil-paid Rights Shares are expected to be traded in board lots of 2,000 (as the Shares are currently traded on the Stock Exchange in board lots of 2,000). Dealing in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy or any other applicable fees and charges in Hong Kong.

## **Conditions of the Rights Issue**

The Rights Issue is conditional upon the following:

- (a) all necessary approvals, permits, waivers, consents and authorisations having been obtained for the Rights Issue, the provisional allotment and allotment of the Rights Shares;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) listing of, and permission to deal in, all the Rights Shares, in their nil-paid and fully-paid forms, by not later than 23 June 2008 and 16 July 2008 respectively and such listing not being revoked prior to 4.00 p.m. on the day which is the third Business Day following the Acceptance Date;
- (c) the delivery on or before the Posting Date of one such signed copy of each of the Rights Issue Documents to the Underwriters and the Stock Exchange;
- (d) the filing and registration on or prior to the Posting Date of one such signed copy of each of the Rights Issue Documents (and all other documents required to be attached) with the Registrar of Companies in Hong Kong, complying with the requirements of the Companies Ordinance;
- (e) the filing on or prior to the Posting Date of one such signed copy of each of the Rights Issue Documents (and all other documents required to be attached thereto) with the Registrar of Companies in Bermuda, complying with the requirements of the Companies Act 1981 of Bermuda (as amended);
- (f) the posting of the Rights Issue Documents to the Qualifying Shareholders on or before the Posting Date; and
- (g) the Underwriting Agreement becoming unconditional and not being terminated by the Underwriters.

In the event that any of the above conditions has not been satisfied on or before the time and dates specified in the Underwriting Agreement, the Underwriting Agreement shall terminate and the obligations of the Company and the Underwriters shall cease and be null and void upon such termination and none of the Company and the Underwriters shall, save in respect of any right or liability accrued under the Underwriting Agreement before such termination, have any right against or liability towards the other arising out of or in connection with the Underwriting Agreement.

## UNDERWRITING ARRANGEMENT

### Underwriting Agreement

Date	:	30 May 2008
Underwriters	:	Keentech and Ellington
Number of Underwritten Shares	:	all of the Rights Shares
Underwriting Commitments	:	Keentech and Ellington shall underwrite, on a several only basis, 649,468,279 Underwritten Shares and 139,214,378 Underwritten Shares respectively
Commission	:	Nil

As at the date of this announcement, Keentech is directly interested in 1,990,180,588 Shares representing 37.85% of the issued share capital of the Company and Ellington is directly interested in 202,000,000 Shares representing 3.84% of the issued share capital of the Company.

### Termination of the Underwriting Agreement

If, at any time prior to 5.00 p.m. on the third Business Day after the Acceptance Date:

- (a) there shall develop, occur, exist or come into effect:
- (i) any new law or regulation or any change or prospective change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong, Singapore or any other place in which any member of the Group conducts or carries on business; or
  - (ii) any change or prospective change in, or any event or series of events resulting or likely to result in any change in local, national or international financial, political, military, industrial, economic, currency or (whether or not sui generis with any of the foregoing) market conditions, for this purpose but without limiting the generality of the foregoing a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America shall be an event resulting or likely to result in a change currency conditions; or
  - (iii) any change or prospective change in the conditions of local, national or international securities markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise); or
  - (iv) any material change in the business or in the financial or trading position or prospects of the Group; or
  - (v) any act of God, war, riot, public disorder, any outbreak or escalation of hostilities, declaration of emergency, calamity, crisis, epidemic, terrorism or any event or a series of events beyond the control of the Underwriters; or

- (vi) any suspension in the trading of the Shares on the Stock Exchange; or
- (vii) any litigation against any member of the Group by a third party; or
- (viii) any moratorium on commercial banking activities having been declared by the PRC, Hong Kong or Singapore authorities,

which, in the reasonable opinion of the Underwriters:

- (x) is likely to have a material adverse effect on the Company or the Group or the Rights Issue; or
  - (y) is likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares taken up; or
  - (z) is so material as to make it inadvisable or inexpedient for the Company to proceed with the Rights Issue; or
- (b) there comes to the notice of the Underwriters:
- (i) any matter or event showing any of the representations and warranties or any undertakings of the Company under the Underwriting Agreement to be untrue or misleading or as having been breached in any respect; or
  - (ii) any change or development involving a prospective change in Hong Kong taxation or exchange control which will or may materially and adversely affect the Group or a material proportion of the existing Shareholders in their capacity as such,

then and in any such case the Underwriters may (but shall not be bound to), upon giving notice to the Company, terminate the Underwriting Agreement with immediate effect.

In the event the Underwriters exercise their rights to terminate the Underwriting Agreement, the obligations of the parties shall cease and be null and void and none of the parties shall, save in respect of any right or liability accrued under the Underwriting Agreement before such termination, have any right against or liability towards the others arising out of or in connection with the Underwriting Agreement.

Pursuant to Rule 14A.31(3)(c) of the Listing Rules, the entering into of the Underwriting Agreement by the parties constitutes an exempt connected transaction for the Company and is therefore exempt from the reporting, announcement and independent shareholders approval requirements.

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

Set out below is the shareholding structure of the Company as at the date of this announcement and immediately after completion of the Rights Issue:

Name of Shareholder	Existing shareholding		After completion of the Rights Issue (assuming all Rights Shares are taken up by the Qualifying Shareholders)		After completion of the Rights Issue (assuming no Rights Shares are taken up by the Qualifying Shareholders other than associates of Keentech and Ellington, and Keentech and Ellington have fully underwritten the Underwritten Shares)	
	Shares	%	Shares	%	Shares	%
Keentech	1,990,180,588	37.85	2,288,707,675	37.85	2,527,086,800	41.79
CITIC Australia Pty Limited	750,413,793	14.27	862,975,860	14.27	862,975,860	14.27
Baytree Investments (Mauritius) Pte. Ltd.	385,450,000	7.33	443,267,500	7.33	443,267,500	7.33
Ellington	202,000,000	3.84	232,300,000	3.84	283,396,878	4.69
Public	1,929,840,000	36.71	2,219,316,003	36.71	1,929,840,000	31.92
<b>Total</b>	<b>5,257,884,381</b>	<b>100.00</b>	<b>6,046,567,038</b>	<b>100.00</b>	<b>6,046,567,038</b>	<b>100.00</b>

Note: Keentech and CITIC Australia Pty Limited are wholly-owned subsidiaries of CITIC Group. CITIC Group is a state-owned enterprise incorporated in the PRC.

Baytree Investments (Mauritius) Pte. Ltd. and Ellington are wholly-owned subsidiaries of Temasek Holdings (Private) Limited. Temasek Holdings (Private) Limited is a company incorporated in Singapore.

## EXPECTED TIMETABLE

Last day of dealings in the Shares on a cum-rights basis .....	Wednesday, 11 June 2008
Commencement of dealings in the Shares on an ex-rights basis .....	Thursday, 12 June 2008
Latest time for lodging transfer of the Shares in order to be qualified for the Rights Issue .....	4:30 p.m. on Friday, 13 June 2008
Register of members closes .....	Monday, 16 June 2008 to Thursday, 19 June 2008 (both days inclusive)
Record Date .....	Thursday, 19 June 2008
Register of members re-opens .....	Friday, 20 June 2008
Despatch of the Rights Issue Documents .....	Friday, 20 June 2008
First day of dealings in nil-paid Rights Shares .....	Tuesday, 24 June 2008
Latest time for splitting nil-paid Rights Shares .....	4:30 p.m. on Thursday, 26 June 2008
Last day of dealings in nil-paid Rights Shares .....	Wednesday, 2 July 2008
Latest time for acceptance of, and payment for, the Rights Shares and application for excess Rights Shares .....	4:00 p.m. on Monday, 7 July 2008
Latest time for termination of the Underwriting Agreement .....	5:00 p.m. on Thursday, 10 July 2008
Announcement of results of the Rights Issue to be published in the respective websites of the Stock Exchange and the Company .....	Monday, 14 July 2008
Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares expected to be posted on or about .....	Tuesday, 15 July 2008
Certificates for the Rights Shares expected to be despatched on or about .....	Tuesday, 15 July 2008
Dealings in fully-paid Rights Shares commence .....	Thursday, 17 July 2008

Dates or deadlines specified in this announcement are indicative only and may be varied by agreement between the Company and the Underwriters. Any consequential changes to the expected timetable will be published or notified to Shareholders in due course.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

Existing Shares will be dealt with on an ex-rights basis from Thursday, 12 June 2008. The Rights Shares will be dealt with in their nil-paid form from Tuesday, 24 June 2008 to Wednesday, 2 July 2008 (both days inclusive). If prior to 5:00 p.m. on the third Business Day following the Acceptance Date, the Underwriters terminate the Underwriting Agreement (see sub-section headed “Termination of the Underwriting Agreement” above) or the conditions of the Rights Issue (see sub-section headed “Conditions of the Rights Issue” above) cannot be fulfilled, the Rights Issue will not proceed. Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any dealings in the Rights Shares in their nil-paid form between Tuesday, 24 June 2008 and Wednesday, 2 July 2008, both days inclusive, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares or Rights Shares in their nil-paid form, and if they are in any doubt about their position, they are recommended to consult their professional adviser(s).

Any dealings in the Shares from now up to the date on which all conditions to which the Rights Issue are subject must be satisfied before the Rights Issue becomes unconditional, or in the Rights Shares in nil-paid form on the Stock Exchange during the period in which they may be traded in their nil-paid form (such period to be announced by the Company as soon as possible), will bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company should therefore exercise caution when dealing in the Shares or the Rights Shares in their nil-paid form, and if they are in any doubt about their position, they should consult their professional adviser(s).

## **REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS**

The estimated net proceeds of the Rights Issue of HK\$2,505.7 million will enhance the financial condition of the Company by improving its gearing ratio. In addition, the net proceeds of the Rights Issue will also be applied by the Group towards funding its future investments and working capital and general corporate purposes.

## **ADJUSTMENT TO SHARE OPTIONS**

In accordance with the terms of the Share Option Scheme, the Rights Issue may lead to adjustments to the number of Shares to be issued on the exercise of the Share Options and/or the exercise price payable by each Share Optionholder in respect of each Share to be issued on the exercise of the Share Options. The Company will engage Ernst & Young, the auditors of the Company, pursuant to the terms of the Share Option Scheme to determine if any adjustment is required to be made to the number of Shares to be issued on the exercise of the Share Options and/or the exercise price payable by each Share Optionholder in respect of each Share to be issued on the exercise of the Share Options as a result of the Rights Issue.

## **DESPATCH OF PROSPECTUS**

The Prospectus containing, among other things, further details of the Rights Issue will be despatched by the Company to the Qualifying Shareholders on the Posting Date and for information only, to the Excluded Shareholders (if any) as soon as practicable. The provisional allotment letters and the forms of application for excess Rights Shares will also be sent to the Qualifying Shareholders on the Posting Date.

## INFORMATION ON THE COMPANY

The Company is a diversified energy and natural resources investment holding company and through its subsidiaries has interests in aluminium smelting, coal mining, import and export of commodities, manganese mining and processing and the exploration, development and production of oil.

For the financial year ended 31 December 2007, the consolidated profits before and after taxation of the Group amounted to HK\$731.0 million and HK\$521.4 million respectively and the consolidated net assets of the Group as at 31 December 2007 are HK\$7,159.6 million.

## FINANCIAL ADVISER

Morgan Stanley Asia Limited has been appointed as financial adviser to advise the Company in connection with the Rights Issue.

## DEFINITIONS

“Acceptance Date”	7 July 2008, being the last day for acceptance and payment of the Rights Shares, or such other date as the Company and the Underwriters may agree in writing
“associates”	shall have the meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or public holiday or a day on which either a tropical cyclone warning signal Number 8 or above or a “black” rainstorm warning signal is or remains hoisted between 9:00 a.m. and 4.00 p.m.) on which banks are open in Hong Kong for general commercial business
“Company”	CITIC Resources Holdings Limited, a company incorporated in Bermuda and the shares of which are listed on the main board of the Stock Exchange
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Directors”	directors of the Company
“Ellington”	Ellington Investments Pte. Ltd., a company incorporated in Singapore, which holds directly 3.84% of the issued share capital in the Company
“Excluded Shareholder(s)”	Overseas Shareholder(s) where the Board, after taking appropriate legal advice in the relevant jurisdictions, consider it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Keentech”	Keentech Group Limited, a company incorporated in the British Virgin Islands, which holds directly 37.85% of the issued share capital in the Company
“Last Trading Day”	30 May 2008, being the last trading day of the Shares on the Stock Exchange prior to this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholders”	Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Posting Date”	20 June 2008 or such other date as the Company and the Underwriters may agree in writing for the despatch of the Rights Issue Documents
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date, other than the Excluded Shareholders
“Record Date”	19 June 2008, the record date to determine entitlements to the Rights Issue
“Rights Issue”	the issue of 788,682,657 Rights Shares at the Subscription Price on the basis of three (3) Rights Shares for every twenty (20) existing Shares held as at the close of business on the Record Date payable in full on acceptance
“Rights Issue Documents”	the Prospectus, the provisional allotment letters and the forms of application for excess Rights Shares to be issued by the Company
“Rights Share(s)”	new Share(s) to be allotted and issued in respect of the Rights Issue
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Share Option Scheme”	the share option scheme of the Company adopted by the Company on 30 June 2004
“Share Optionholders”	holders of outstanding Share Options
“Share Options”	options issued under the terms of the Share Option Scheme which entitle the holder thereof to subscribe for new Shares

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$3.20 per Rights Share
“subsidiary”	has the meaning ascribed to it in the Listing Rules
“Underwriters”	Keentech and Ellington
“Underwriting Agreement”	the underwriting agreement entered into between the Company and the Underwriters dated 30 May 2008 in relation to the Rights Issue
“Underwritten Shares”	all the Rights Shares fully underwritten by the Underwriters on the terms and subject to the conditions set out in the Underwriting Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 30 May 2008

*As at the date hereof, 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. Wong Kim Yin, and the independent non-executive directors are Mr. Fan Ren Da, Anthony; Mr. Ngai Man and Mr. Tsang Link Carl, Brian.*