



**CITIC RESOURCES HOLDINGS LIMITED**  
**中信資源控股有限公司**

**CITIC RESOURCES TO PARTIALLY SELL CODRILLA PROJECT**

**CONSOLIDATING COAL BUSINESS TO CREATE SYNERGIES  
AND UNLOCKING COAL INVESTMENTS POTENTIALS**

(Hong Kong, 16 May 2011) – CITIC Bowen Basin Pty. Ltd. (“CITIC Bowen Basin”), an indirect wholly-owned subsidiary of CITIC Resources Holdings Limited (“CITIC Resources” or the “Company”) (HKEx stock code: 1205) entered into Sale Agreement with each of Mapella Pty Ltd., Winview Pty Ltd., KC Resources Pty Ltd. and NS Coal Pty Ltd. (currently Coppabella and Moorvale Joint Venture (“CMJV”) participants) on 16 May 2011 for the sale of 2.8%, 2.8%, 1.6% and 0.8% respectively of the Codrilla Project, for an aggregate consideration of A\$51.2 million (or HK\$419.8 million).

In addition, CITIC Bowen Basin has conditionally agreed to transfer its remaining 7% interest in the Codrilla Project to CITIC Australia Coppabella Pty Limited (“CITIC Coppabella”), an indirect wholly-owned subsidiary of the Company and a CMJV participant. Alongside the transactions, CITIC Bowen Basin or a related entity shall maintain the right to market all coal produced from the Codrilla Project in the PRC for the life of the Codrilla Project.

Meanwhile, BB Interests Pty Ltd, a wholly-owned subsidiary of Macarthur Coal Limited (“Macarthur Coal”), has also agreed to transfer its interests in the Codrilla Project to the CMJV.

The transactions shall be subject to certain conditions to be satisfied on or before 30 June 2011. Upon completion of the transactions, the Company will continue to hold 7% of the Codrilla Project through its interests in CITIC Coppabella. The remaining interests in the Codrilla Project shall be held by other CMJV participants according to their respective interests in the CMJV (please refer to the appendix below).

Mr. Zeng Chen, President and Chief Executive Officer of the Company, commented, “The partial sell-down of Codrilla has enabled the Company to not only realize considerable returns for its investment, but also demonstrate the value of the exploration project portfolio jointly owned and developed by the Company and Macarthur Coal. Moreover, the synergy effect obtained from blending of the coal from Codrilla and Coppabella/Moorvale, and the economies of scale through sharing of infrastructure, management and other resources between Codrilla and Moorvale will ensure a timely development and ramp-up of Codrilla as well as better economic returns. The marketing right to the PRC also helps the Company reach the fast growing PRC market. As the largest shareholder of Macarthur Coal and its major joint venture partner, we will continue to cooperate with Macarthur Coal to further develop other projects in their portfolio.”

Responding to the latest encouraging developments in the Company's coal sector, Mr. Zeng added, “The recent significant increase of respectively 361% and 202% of Coal Resources at West Rolleston and Vermont East/Willunga projects, in which we have direct interests, contributed to an immediate leap of the resources of our coal portfolio. The partial sale of the Codrilla Project, coupled with our potential coking coal offtake from Bathurst, has all supported the strong growth potential of our coal investment and opened up huge doors of opportunities for us to expand and sustain long-term growth in the sector.”

For information, Macarthur Coal announced on 11 May 2011 a 38% increase in managed Coal Resources to 2.26 billion tonnes, subsequent to the significant upgrades at two of its projects, West Rolleston and Vermont East/ Willunga, where CITIC Resources Australia Pty Limited holds direct interests of 10% and 15% respectively.

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## **APPENDIX: Information on the Codrilla Project**

### *I. Background*

With construction of the Codrilla mine expected to commence in 2012, the Codrilla Project is located in the south east of the Moorvale Mine in the Bowen Basin, Queensland, Australia with a JORC resource estimate at 79.5 million tonnes of coal suited to the preparation of LV PCI coal product. The close proximity of the Codrilla Project to the Moorvale mine will allow access to the Moorvale mine rail load-out facility, achieving superior economies of scale in infrastructure.

### *II. Change of Interests in the Codrilla Project Before and After Completion of the Transactions*

#### A. Interests in the Codrilla Project before the transactions:

|                      |     |
|----------------------|-----|
| BB Interests Pty Ltd | 85% |
| CITIC Bowen Basin    | 15% |

#### B. Interests in the Codrilla Project after the transactions:

|                      |       |
|----------------------|-------|
| Coppabella Coal      | 73.3% |
| CITIC Coppabella     | 7.0%  |
| Mapella Pty Ltd      | 7.0%  |
| Winview Pty Ltd      | 7.0%  |
| KC Resources Pty Ltd | 3.7%  |
| NS Coal Pty Ltd      | 2.0%  |

- End of Appendix -

### **About CITIC Resources Holdings Limited**

CITIC Resources was listed on the Hong Kong Stock Exchange since 1997. The Company is a provider of natural resources with a particular focus on energy business. The principal activities of CITIC Resources and its subsidiaries include aluminium smelting, import and export of commodities, and oil and coal exploration, development and production. CITIC Group is the parent company of CITIC Resources with majority stake of about 54%.

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