



CITIC Resources Holdings Limited
中信資源控股有限公司

Press Release

2 Feb 2007

**Announced a Placement of Existing Shares and Subscription of New Shares
Plus Connected Transaction Relating to Subscription of Keentech,
CITIC wholly-owned subsidiary, Net Proceeds of HK\$1.683 billion**

Capital Strength Enhanced to Seize Investment Opportunities

(Hong Kong, 12 February 2007) CITIC Resources Holdings Limited (“CITIC Resources” or the “Group”) (SEHK: 1205) is pleased to announce that on 9 February 2007, the Group has placed, through Citigroup Global Markets Asia Limited (“Citigroup”) and UBS AG (“UBS”), the placing agents, 570,000,000 existing shares, to not less than six professional, institutional and/or individual investors; on the same day, the Group and Keentech Group Limited (“Keentech”), a wholly-owned subsidiary of CITIC Group (“CITIC”), entered into a subscription agreement, in which Keentech agreed to subscribe for 130,000,000 new shares of the Group. The placing and subscription prices per share are both HK\$2.46, which represents a discount of 5.02% to the closing price of HK\$2.59 per share on last Thursday, which is the last trading day; and a premium of 2.93% to the average closing price of HK\$2.39 per share for the ten trading days immediately prior to and including the last trading day. The trading of the shares resumed today.

The aggregate net proceeds of the aforementioned placement and Keentech subscription are estimated to be about HK\$1,683,000,000. The Group intends to use such proceeds to finance, or contribute to the financing of, future acquisitions including the acquisition of the potential assets should the Group elect to exercise the purchase right, repay existing indebtedness of the Group and as general working capital.

Mr. Kwok Peter Viem, Chairman of the Group, said, “Through the completion of this placement and subscription of shares by CITIC, the parent company, the capital strength of the Group will be further enhanced. This share placement has received overwhelming response from investors, with an oversubscription of 23 times. The Group is well-positioned to further acquire

potential assets and invest in investment projects with high-yield potential, which further strengthens the Group's capital base and bring higher returns to shareholders.”

Effects on shareholding structure immediately after the placing, the top-up subscription and Keentech subscription:

	Before placing and subscription		Immediately after the placing but before the top-up subscription and the Keentech subscription		Immediately after the placing, the top-up subscription and the Keentech subscription	
Name of shareholder	No of shares	(%)	No of shares	(%)	No of shares	(%)
CITIC (1)	2,610,594,381	60.46	2,610,594,381	60.46	2,740,594,381	54.61
United Star International Inc. (2)	572,966,000	13.27	2,966,000	0.07	572,966,000	11.42
New placees	-	-	570,000,000	13.20	570,000,000	11.36
Other public shareholders	1,134,624,000	26.27	1,134,624,000	26.27	1,134,624,000	22.61
Total shares outstanding	4,318,184,381	100.00	4,318,184,381	100.00	5,018,184,381	100.00

(1) The figure represents an attributable interest of CITIC through its interest in CITIC Projects and CITIC Australia Pty Limited. CITIC is a company incorporated in the PRC.

(2) The figure represents an attributable interest of each of Mr. Kwok Peter Viem and Mr. Ma Ting Hung respectively as the beneficial owner of 50% each of United Star International Inc..

About CITIC Resources Holdings Limited

CITIC Resources Holdings Limited was incorporated in Bermuda in 1997 and the shares of which are listed in the Hong Kong Stock Exchange. CITIC Group is the parent company of CITIC Resources. CITIC Resources is positioned as an integrated provider of key commodities and strategic natural resources. CITIC Resources has interest in oil, aluminum, commodity trading, coal and iron businesses, among which the focus will be on upstream oil business. On 27 October 2006, CITIC Resources entered into the memorandum of understanding with CITIC pursuant to which CITIC has granted to CITIC Resources the right to purchase potential assets. The purchase right is exercisable by CITIC Resources during the period of one year commencing from the date CITIC completes its acquisition of the potential assets. According to the purchase right, CITIC Resources will be offered a right of first refusal for the purchase of Karazhanbas oil field acquired by CITIC in Kazakhstan.

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