



CITIC Resources Holdings Limited

For Immediate Release

ACQUISITION OF INTEREST IN KAZAKHSTAN OIL ASSETS AN ESTIMATION OF 363.8 MILLION BARRELS OF PROVED RESERVES AS OF THE END OF 31 DECEMBER 2006

TRANSFORMS INTO A MAJOR OIL PLAYER

(Hong Kong, 9 May 2007) CITIC Resources Holdings Limited (“CITIC Resources” or the “Company”) (SEHK: 1205) is pleased to announce that the Company has conditionally agreed to acquire from CITIC Group the entire issued share capital of Renowned Nation Limited, a wholly-owned subsidiary of CITIC Group, and thereby the Kazakhstan Interests and the benefit of the KBM Energy Limited* Indebtedness on 30 April 2007. The Kazakhstan Interests comprise 50% of the voting rights in each of JSC Karazhanbasmunai (“KBM”), Argymak Trans Service LLP (“ATS”) and Tuplar Munai Services LLP (“TMS”). The Company has applied for the resumption of trading in the shares with effect from 9:30 a.m. on 9 May 2007.

KBM is engaged in the exploration, development and production of oil and holds the right to develop and produce oil in the Karazhanbas oilfield in Kazakhstan until 2020. As of 31 December 2006, the Karazhanbas oilfield had an estimated 363.8million barrels of proved reserves. ATS is engaged in the provision of transportation services and other oilfield related logistics services. TMS is engaged in the provision of oil well drilling, construction and workover services.

The aggregate consideration (the “Consideration”) payable by the Company to CITIC Group in respect of the aforementioned transaction (the “Transaction”) is about US\$ 1,003,500,001 (HK\$7,827,300,008).

CITIC Group acquired CITIC Canada Petroleum Limited, formerly Nations Energy Company Ltd., and the Kazakhstan Companies on (including KBM, ATS and TMS) 29 December 2006 for a consideration of about US\$1,910,000,000 (HK\$14,898,000,000) subject to adjustment for cash, debt and other liabilities.

The Company has paid a deposit of US\$200,000,000 (HK\$1,560,000,000) to CITIC Group. At completion of the Transaction, the Company will pay the balance of the Consideration of about US\$803,500,001 (HK\$6,267,300,008) to CITIC Group in cash. The Company intends to finance the balance of the Consideration from available internal resources and third party debt and borrowings.

Mr. KWOK Peter Viem, Chairman of CITIC Resources, said, “We are very excited to put forward this deal. The transaction, after completion, will be a further and significant step forward in the Company’s business strategy. Now, the Company is a diversified energy and natural resources investment holding company, with the Kazakhstan Interest, the Company will have an increasing focus on the oil and gas industry. The Company anticipates revenue from its oil business to become its largest profit contributor in the

future after the completion of the Transaction. We strongly believe that the Transaction is in the interests of the Company and shareholders as a whole.”

* Please refer to the attached appendix for the background information of KBM

- End -

About CITIC Resources Holdings Limited (Stock Code: 1205)

CITIC Resources Holdings Limited (Stock code: 1205 HK) (CITIC Resources) was listed on the Hong Kong Stock Exchange since 1997. CITIC Group is the parent company of CITIC Resources with majority stake of over 54%. CITIC Resources positions itself as an integrated provider of key natural resources with particular focus in oil business. The principal activities of CITIC Resources and its subsidiaries are in the fields of oil, aluminium, coal, import and export of commodities, and manganese.

Issued by PR ASIA Consultants Limited on behalf of CITIC Resources Holdings Limited.

For enquiries, please contact PR ASIA Consultants Limited:
Ms. Mianco Wong / Ms. Priscilla Wong
Tel: (852) 3183 0230 / 3183 0236
Fax: (852) 2583 9138
Email: mianco.wong@prasia.net / priscilla.wong@prasia.net

Background Information of KBM

KBM is engaged in the exploration, development and production of oil and holds the right to develop and produce oil in the Karazhanbas oilfield in Kazakhstan until 2020.

The quality of oil produced from the Karazhanbas oilfield is typically 19 degree API.

The table below summarises information relating to the reserves at the Karazhanbas oilfield for the periods indicated:

Reserves (in million barrels)	2000	2001	As of 31 December			2005	2006
			2002	2003	2004		
Proved							
Developed	123.4	206.3	278.2	253.7	265.1	229.1	244.0
Undeveloped	<u>102.4</u>	<u>138.6</u>	<u>105.8</u>	<u>137.7</u>	<u>140.9</u>	<u>117.9</u>	<u>119.8</u>
Total Proved	225.8	344.9	384.0	391.4	406.0	347.0	363.8
Probable	73.8	94.6	89.6	67.6	110.8	78.9	74.6
Possible	91.5	167.2	138.5	103.9	33.6	29.2	21.6

The table below sets out information regarding oil production from the Karazhanbas oilfield for the year ended 31 December 2006:

For the year ended 31 December 2006

Revenue from sales of oil	US\$843,500,000(HK\$6,579,300,000)
Sales volume	15.5million barrels of oil
Average sales price per barrel	US\$54.40(HK\$424.32)

The table below sets out information on the number of wells drilled by KBM for the three years ended 31 December 2006:

	Productive	Dry	Total
Year ended 31 December 2004	105	2	107
Year ended 31 December 2005	132	3	135
Year ended 31 December 2006	194	11	205