



## CITIC Resources Holdings Limited

For Immediate Release

### **OPTION TO ACQUIRE 90% INTEREST IN TINCY GROUP ENERGY RESOURCES LIMITED**

#### **ANOTHER MILESTONE IN DEVELOPING INTO THE OIL SECTOR**

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(Hong Kong, 9 May 2007) CITIC Resources Holdings Limited (“CITIC Resources” or the “Company”) (SEHK: 1205) is pleased to announce that on 1 May 2007, CITIC Haiyue Energy Limited (“CITIC Haiyue”), an indirect wholly-owned subsidiary of the Company, entered into an option agreement pursuant to which Far Great Investments Limited (the “Far Great”) has granted to CITIC Haiyue the right to purchase the 9,000,000 shares (the “Option Shares”) of Tincy Group Energy Resources Limited (the “Tincy Group”), in accordance with the terms and condition of the sale and purchase agreement, for a consideration of US\$150,000,000, subject to adjustment. Tincy Group is a wholly-owned subsidiary of Far Great. The Option Shares represent 90% of the shares of Tincy Group in issue and fully paid. An application has been made by the Company to the Stock Exchange of Hong Kong Limited for the resumption of trading in the Company’s shares from 9:30a.m. on 9 May 2007.

The Company also announces that on 1 May 2007, CITIC Haiyue entered into a loan agreement with Far Great and Tincy Group pursuant to which CITIC Haiyue has agreed to provide a loan facility of US\$15,000,000 (the “Loan”) to Far Great upon and subject to the terms and conditions contained therein. CITIC Haiyue has also entered into an on-loan agreement with Far Great and Tincy Group on 1 May 2007 pursuant to which Far Great is required to on-lend US\$10,000,000 of the Loan to Tincy Group.

Tincy Group holds the right to develop and operate, until 2034, an oilfield in the Hainan - Yuedong Block\* in the Bohai Bay Basin in Liaoning Province in the People’s Republic of China (the “Oilfield”). The Oilfield covers an area of more than 300 square kilometers with estimated original oil in place ranging from approximately 65 million tonnes to 75 million tonnes.

Mr. KWOK Peter Viem, Chairman of CITIC Resources, said, “The Oilfield is currently in the appraisal and development stage. If we exercise the option, we would expect to implement a long-term development plan. Our capital expenditure plan would be subject to the findings from our due diligence review.”

Mr. KWOK added, “The right to purchase the Option Shares therefore presents a significant commercial and business advantage to the Company and gives the Company an opportunity to further develop in the oil sector. The Company believes that the transaction represents another milestone for the Company’s business development as a major oil player and is in line with its long term development strategy of becoming the natural resources arm of CITIC Group, its ultimate parent.”

\*Please refer to the attached appendix for the location of Hainan-Yuedong Block.

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**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 the 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.

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**Hainan-Yuedong Block**



**Jidong Nanpu Field**