



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

For Immediate Release

**Enters into a Non-Binding Memorandum of Understanding with
Kuwait Foreign Petroleum Exploration Company KSC
To Further Explore Oil and Gas Business Opportunities**

(Hong Kong, 7 August 2007) CITIC Resources Holdings Limited (“CITIC Resources” or the “Group”) (SEHK: 1205) is pleased to announce that on 6 August 2007, the Group entered into a Non-Binding Memorandum of Understanding (“MOU”) with Kuwait Foreign Petroleum Exploration Company KSC (“KUFPEC”), a company incorporated under the laws of Kuwait. Pursuant to the MOU, CITIC Resources and KUFPEC have arrived at a general understanding of their interest in closer cooperation in exploring oil and gas business venture opportunities in Indonesia and other countries. With the MOU, CITIC Resources and KUFPEC look forward to having closer relationship and cooperation in the future.

Mr. SHOU Xuancheng, Vice Chairman of the Group, said, “We are delighted to sign this MOU with KUFPEC. In view of the fast growing oil and gas businesses of the Group, a closer relationship and cooperation with KUFPEC will enable us to leverage on KUFPEC's established platform and strong experience in the oil and gas industry to further strengthen our presence in the South East Asian region particularly in Indonesia. The Group will strive to explore more oil and gas business opportunities in the region and other countries to enhance profitability. We believe that this cooperation will benefit our shareholders in return for their vote of confidence in our business strategy.”

Mr. Abdullah M BAROUN, Deputy Chairman of KUFPEC, said, “We are pleased to sign this MOU with CITIC Resources. It is in mutual interest to capitalize each other's strengths and we are confident that with the expertise and knowledge of CITIC Resources and our experience in the Middle East, we can achieve a win-win situation.”

Information on KUFPEC

Kuwait Foreign Petroleum Exploration Company was established in 1981 with a mission to widen the scope of Kuwait's oil industry activities world-wide. KUFPEC is one of the first companies from the Arabian Gulf to carry out drilling, development and production operations in foreign countries. KUFPEC is present in fifteen countries of which it has production in nine, namely, Australia, China, Egypt, Indonesia, Pakistan, Tunisia and Yemen, Malaysia and Mauritania. The company's portfolio comprises numerous producing fields including development and appraisal fields in addition to discoveries that have not been fully assessed.

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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 about 52%. CITIC Resources positions itself as an integrated provider of key commodities and strategic 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.