



## **CITIC Resources Holdings Limited**

### **ANNOUNCES A SIGNIFICANT OIL DISCOVERY IN OSEIL OILFIELD IN INDONESIA'S SERAM ISLAND NON BULA BLOCK**

(Hong Kong, 22 May 2008) – CITIC Resources Holdings Limited (“CITIC Resources” or the “Company”) (Stock Code: 1205) is pleased to announce the discovery of the Lower Nief and Manusela carbonate oil reservoirs at the Neif Utara-A1 drilling well located at Seram Island in Indonesia. Lower Nief oil reservoir is the first discovery in the region. The Original Oil in Place (OOIP) of the Neif Utara-A1 drilling well is over 60 million barrels. Thus, the current total Original Oil in Place exceeds 123.6 million barrels.

The Neif Utara-A1 well's drilling prospect (Neif Utra A prospect) covers an area of approximately 4 square kilometer; Original Oil in Place is over 60 million barrels and the 3P recoverable reserves exceed 18 million barrels (Recoverable reserves of P1 + P2 are approximately 6 million barrels). With more wells to be drilled, it is expected to see an increase of the P1+P2 recoverable reserves.

According to Schlumberger, an internationally renowned logging company, Lower Nief is an oil reservoir mainly composed of substrates with an average porosity of 5% and the effective thickness of the oil reservoir is close to 400 ft; as for Manusela, which has substrate and cleft stores oil, has an average porosity of 7% and the effective thickness of the oil reservoir is above 200 ft. Manusela made the initial test production in early May, under the 250psi draw down pressure, it got about 700 barrels per day (excluding water).

Nief Utra A prospect is the first prospect being explored in the Seram Island Non-Bula Block with 5 other prospects remain unexplored. The Group plans to drill two more drilling wells and 2 exploration wells this year. The second Neif Utara –A2 well has been drilled on 19 May. The group will also execute the latest 2D seismic data collection project, which is believed to provide more and better exploration target.

Mr. Sun Xinguo, the Chief Executive Officer of the Group, said, “The new discovery by the Neif Utara-A1 well is very encouraging. With the Group's own exploration techniques, the successful rate of further exploration has been raised substantially. The oil reserves in Seram Island Non-Bula Block will be increased significantly. The discovery of the new oil sheet Lower Nief has built a sound foundation for further oil production. We strongly believe that the whole Seram Island Non-Bula Block to have a very positive prospect.”

— 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 about 52%. 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.

For enquiries, please contact PR ASIA Consultants Limited:  
Ms. Mianco Wong / Ms. Charlene Hui  
Tel: (852) 3183 0239 / 3183 0251  
Fax: (852) 2583 9138  
Email: mianco.wong@prasia.net / charlene.hui@prasia.net