



China Aviation Oil (Singapore) Corporation Ltd
中國航油（新加坡）股份有限公司

CAO Investment In SPC - Update On Share Purchase Agreement

30/08/04

The Board of Directors of China Aviation Oil (Singapore) Corporation Ltd ("CAO") refers to the announcement ("Purchase Announcement") dated 18 August 2004 by CAO relating to the proposed acquisition of 88,000,000 ordinary shares of S\$0.50 each in the capital of Singapore Petroleum Company Limited ("SPC"), representing approximately 20.60% of the issued share capital of SPC (the "Proposed Acquisition") from Satya Capital Limited ("SCL"). Unless otherwise defined, all terms used in this Announcement bear the same meaning as the Purchase Announcement.

CAO is pleased to announce that SCL has delivered to CAO the written consent of ING Bank N.V., Singapore branch ("ING Bank") to, inter alia, the Share Purchase Agreement, and its acknowledgement that the entry into and completion of the Share Purchase Agreement is not to be regarded as a default or breach under the facilities granted by ING Bank to SCL and/or any other document executed in connection therewith, and certain proposed prepayment and redemption arrangements.

The Share Purchase Agreement is conditional upon, inter alia, SCL executing an agreement with the Placee for the disposal of the Warrants on or before 1 September 2004 (or such later date as SCL and CAO may agree in accordance with the Share Purchase Agreement ("Reference Date")) at such price and on such terms and conditions that are acceptable to SCL. SCL and CAO have entered into a supplemental agreement to extend the Reference Date from 1 September 2004 to 15 September 2004. The long-stop date for the Share Purchase Agreement, being the date on which either SCL or CAO may terminate the Share Purchase Agreement if any of the conditions precedent has not been satisfied or (if applicable) waived, has also been correspondingly extended from 30 October 2004 to 13 November 2004.

By Order of the Board

Adrian Chang
Company Secretary
30 August 2004