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**RESPONSE TO SGX-ST'S QUERY/REQUEST REGARDING CLARIFICATION ON
COMPLIANCE WITH LISTING RULE 1207(10) IN 2011 ANNUAL REPORT**

The Board of Directors of China Aviation Oil (Singapore) Corporation Ltd (the "**CAO**" or the "**Company**") wishes to respond to a query/request raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 23 April 2012 regarding compliance with Rule 1207(10) of the SGX-ST Listing Manual in the Annual Report of CAO for the financial year ended 31 December 2011 ("**Annual Report 2011**"):

Extract of SGX-ST's Query/Request

For the purpose of compliance with Listing Rule 1207(10), please note that the Board and Audit Committee must opine whether the internal controls are adequate to address all 3 areas of risks (i.e. financial, operational and compliance risks). Hence, please provide the required information via SGXNET announcement that the Company is in compliance with Listing Rule 1207(10).

CAO's Response

The Company refers to the last paragraph of the section D (INTERNAL CONTROLS) of the Statement of Corporate Governance on page 54 of the Annual Report 2011 and wishes to re-affirm the opinion of the Board of Directors and the Audit Committee of the Company in compliance with Rule 1207(10) of the SGX-ST Listing Manual:

Based on the processes disclosed in the Annual Report 2011, the Board of Directors and the Audit Committee of the Company are satisfied that CAO's framework of internal controls, which addresses the financial, operational and compliance risks, is adequate to provide satisfactory assurance on the integrity and effectiveness of CAO in safeguarding its assets and shareholders' interests.

By Order of the Board

Doreen Nah
Company Secretary
24 April 2012