



MEDIA RELEASE

CAO closes latest jet fuel tender for October and Early November 2006 deliveries

(Singapore, 25 August 2006) China Aviation Oil (Singapore) Corporation Ltd (“CAO” or the “Company”) announced that it had closed its latest physical Jet Fuel tender for delivery in October and early November 2006.

In the latest tender, CAO received responses from 13 physical jet-fuel suppliers. It has awarded cargoes to 9 suppliers. For this tender, total volume of 590,000 metric tonnes of A-1 Grade Jet Fuel was awarded. The cover ratio for the awarded cargoes was approximately 2.3 times. BP exercised its pre-emption right for the first time since the implementation of the Business Cooperation Agreement. However, the pre-emption volume was confined to one cargo only.

This latest tender is the largest in terms of volume since CAO resumed its procurement of jet fuel under the principal model since 26 May 2006.

The tender was awarded to the most competitive suppliers. CAO confirmed that the tenders received for this latest tender exercise complied with CAO's standard terms and conditions.

The Company expresses its appreciation to all suppliers for their continued support of its jet fuel procurement business.

From January to early November 2006, the total tender volume is 3.9 million metric tonnes, a 44% increase from 2.70 million metric tonnes for the same period in 2005.

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