



CAO Settles Satya Claim

Singapore, 8 June 2005 - China Aviation Oil (Singapore) Corporation Ltd (“the Company”) wishes to announce that it has entered into a settlement agreement with Satya Capital Ltd (“Satya Capital”).

Satya Capital had earlier lodged a claim of USD51,733,333 against the Company for alleged damages suffered as a result of the termination of a share purchase agreement dated 18 August 2004 as amended by supplemental agreements dated 26 August 2004, 13 September 2004 and 29 September 2004 between the Company and Satya Capital, in respect of the acquisition of 88,000,000 shares in Singapore Petroleum Company Limited.

Under the terms of the settlement, Satya will settle its claims against the Company and China Aviation Oil Holding Company and accept a full and final claim of USD28,000,000, which will participate in the Company’s proposed Scheme of Arrangement dated 24 May 2005 on the same terms as all other creditors. The settlement is conditional on the Company’s Scheme of Arrangement being approved at the creditors’ meeting on 8 June 2005 and becoming effective under the terms of the Scheme of Arrangement.

中国航油（新加坡）股份有限公司与萨蒂亚和解索赔事项

中国航油（新加坡）股份有限公司特此宣布与萨蒂亚达成了和解协议。

公司与萨蒂亚之间关于收购 88,000,000 股新加坡石油有限公司股票协议被终止，后者称因之遭受了损失，所以曾向公司索赔 51,733,333 美元。该协议签订日为 2004 年 8 月 18 日，补充修改协议日期分别为 2004 年 8 月 26 日、2004 年 9 月 13 日与 2004 年 9 月 29 日。

根据和解协议，萨蒂亚将对公司和中国航油集团公司的索赔进行和解，并最后接受 28,000,000 美元的和解金额。萨蒂亚将以与其他债权人相同的条件参与公司 2005 年 5 月 24 日的重组计划。该和解的条件是公司重组计划在 2005 年 6 月 8 日的债权人大会上得到批准并按计划生效。