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WILLIE INTERNATIONAL

# Willie International Holdings Limited

威利國際控股有限公司

(Incorporated in Hong Kong with limited liability)  
(Stock Code: 273)

## ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to certain media coverage on 8 February 2007 which reported the Company partnering with an PRC oil conglomerate to engage in the exploration of oil located in a country with rich energy resources in the Former Union of Soviet Socialist Republics and specify the biographies of certain directors as well as Professor Chilingar.

The Board would like to clarify that as at the date of this announcement, the Company is studying the business cooperation with various parties in relation to oil rehabilitation project in Azerbaijan. The Company has not started any formal negotiation with the parties. Should an agreement be reached, the Company will make further announcement as and when appropriate.

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The board of directors (the "Board") would like to clarify that as at the date of this announcement, the Company is studying the business cooperation with various parties in relation to oil recovery project in Azerbaijan (the "Potential Project"). The Company has not started any formal negotiation with the parties. Should an agreement be reached, the Company will make further announcement as and when appropriate.

The Board confirmed that Mr. Chuang Yueheng, Henry ("Mr. Chuang"), the Chairman of the Company, holds Master's degrees in Petroleum Engineering and in Business Administration from the University of Southern California ("USC") in the United States of America. Mr. Chuang studied petroleum engineering under Professor Chilingar, one the world's foremost expert in Petroleum Geology of the South Caspian Basin. Mr. Chuang was a teaching assistant under Professor Chilingar from 1980 to 1982 specializing in drilling fluid and carbonate reservoir. Mr. Chuang worked for Schlumberger Well Services, Santa Fe International Drilling, and Natural Gas Corporation of California (subsidiary of Pacific Gas and Electric) for the period from 1982 to 1990. Mr. Chuang worked in Oklahoma, Texas, and California during which time he was responsible for conducting well survey, drilling rig operations, the drilling and production of high pressure gas wells, monitoring well production, calculating reserve, and recommending remedial actions. Mr. Chuang participated in partnership projects/wells with Chevron and Union Oil for wells locating elsewhere in California including Bakersfield (oil wells) and Santa Rosa (geothermal wells).

The Board also confirmed that Mr. Chuang has personally met with Professor Chilingar in January 2007 and Professor Chilingar has verbally confirmed with the Company in relation to his appointment as a project consultant for the Potential Project. Professor Chilingar will be responsible for all technical advice and evaluation in the event that the Company should proceed with the Potential Project. Professor Chilingar is a Professor of Civil and Petroleum engineering at the USC. He is one of the best-known petroleum geologists in the world and the founder of several prestigious journals in the oil and gas industry. Professor Chilingar has published 61 books and hundreds of articles on geology, petroleum engineering and environmental engineering. Professor Chilingar serves as president of the U.S. branch of the Russian Academy of Natural Sciences and 17 of his 61 books have been translated into Russian. In recognition of these contributions, the Russian Academy of Sciences has honored him as a Knight of Arts and Sciences. Some of Professor Chilingar's books have also been translated into Chinese and published by a Beijing publishing company.

Professor Chilingar received his Bachelor's and Master's degrees in Petroleum Engineering and a Ph.D. in Geology (with a minor in Petroleum Engineering), all at USC.

One of Professor Chilingar greatest contributions to the petroleum industry may be a means of identifying oil-rich rock by analyzing the ratio of calcium to magnesium in core samples. This method was used in discovering one of Iran's largest oil fields, which was then named after Chilingar.

Professor Chilingar also played a key role in the development of Thailand's offshore oil reserves. While Western companies were drilling without success onshore and were preparing to write off Thailand as a potential source of oil, Professor Chilingar saw natural gas bubbles in the Gulf of Siam and redirected exploratory efforts, thus saving the nascent Thai oil industry.

In 2001, King Fahd of Saudi Arabia acknowledged Professor Chilingar's significant contributions to the success of Saudi Aramco as well as the discovery and extraction of oil reserves around the world. The Saudi consul general in Los Angeles, Ambassador Mohammed A. Al-Salloum, presented the award, a globe signifying the worldwide reach and importance of the petroleum industry and Saudi Aramco to Professor Chilingar.

Professor Chilingar served as senior petroleum engineering adviser to the United Nations from 1967 to 1969, and then again from 1978 to 1987. Professor Chilingar was also an energy policy adviser to California Governor Ronald Reagan in 1973.

His recent research work concentrated on environmental aspects of oil and gas production, petrophysical properties of rocks and drilling fluids, surface and subsurface operations in petroleum production and subsidence due to the fluid withdrawal, testing and storage of petroleum products.

The Board further confirmed that Mr. King Phillip ("Mr. King"), the Managing Director of the Company is a Muslim and holds a Master's degree in Business Administration from the University of San Francisco in the United States of America. Mr. King has over 17 years of experience in real estate investment, management and development. Mr. King is also in charge of the development of a luxury watch brand which caters to the high net worth individuals in Hong Kong and South East Asia. Mr. King is also an independent non-executive director of Glory Future Group Limited, a publicly listed company in Hong Kong.

The Board was informed by Mr. Chuang Eugene Yue-Chien, brother of the Chairman of the Company, that he has acquired of 406,806,141 shares of the Company in the market as at 7 February 2007, representing approximately 11.60% of the issued share capital of the Company.

By order of the Board  
**Willie International Holdings Limited**  
**Chuang Yueheng, Henry**  
Chairman

Hong Kong, 8 February 2007

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Chuang Yueheng, Henry, Mr. King Phillip, Mr. Lo Kan Sun, Mr. Wong Ying Seung, Astiong, and Mr. Wang Lin and six independent non-executive Directors, namely, Mr. Miu Frank H., Mr. Nakajima Toshiharu, Ms. Lin Wai Yi, Mr. Liu Jian, Mr. Shum Ming Choy and Mr. Yau Yan Ming, Raymond.

*Please also refer to the published version of this announcement in South China Morning Post, China Daily, Hong Kong Economic Times and Oriental Daily News.*