

CHINA INTERNATIONAL HOLDINGS LIMITED
(Bermuda Company Registration No. 23356)
(Incorporated in Bermuda)

**THE COMPLETION OF GCA'S INDEPENDENT REVIEW OF DATA AND
INTERPRETATION OF 2D SEISMIC DATA PROGRAMME ON THE FLY RIVER MAP
SHEET S.B. 54 OIL FIELD, PAPUA NEW GUINEA**

All capitalized terms in this announcement shall have the same meaning as ascribed to them in the previous announcements made by China International Holdings Limited (the "Company") on 1 December 2009, 8 December 2009, 27 April 2010, 28 October 2010, 27 May 2011, 7 September 2011, 13 September 2011, 19 December 2011 and 19 February 2012, respectively.

Background

Following the completion of the 2D seismic data acquisition program by main contractor Honghua International, the project company, MKS, retained Gaffney, Cline and Associates ("GCA"), international independent petroleum consultants, to undertake a review of and form its own view on the surface data and subsurface seismic data acquired from the program by Honghua International. GCA has completed such review on 23 May 2012.

Summary of Results

Based on a combination of the available geologic surface mapping data and subsurface mapping utilizing five 2D seismic lines, one prospect and one lead, AOI-2 Prospect and AOI-3W Lead, have been identified in the license area covered by PPL294.

Based on the available information, GCA estimates that the following prospective resources are contained in AOI-2:

Gas Only Case	P90 90% Probability	P50 50% Probability	P10 10% Probability
Gas initially in place (Bscf - Billion standard cubic feet)	184	700	2,655
Estimated Ultimate Recovery Gas (Bscf - Billion standard cubic feet)	127	489	1,863
Oil Only Case	P90 90% Probability	P50 50% Probability	P10 10% Probability
Stock tank oil initially in place (MMstb - Million Stock tank barrel)	60	233	871
Estimated Ultimate Recovery Oil (MMstb - Million Stock tank barrel)	9	44	180

Notes:

1. The cases presented above are alternates. If the gas case is used there are no oil resources and vice versa.
2. The figures presented in this table must be considered only in the light of comments contained in the accompanying report by GCA dated 23 May, 2012 (the "Report") of which this table forms an integral part.

There is insufficient information to support a resources evaluation for AOI-3W currently.

Further Work Planned

MKS has submitted the relevant work reports to the Department of Petroleum & Energy in PNG and a program for Year 2012 for the minister's approval and such approval is expected to be issued in the near future.

On GCA's recommendation, MKS will undertake further surface geological work while preparing for contracting out a well drilling program targeting AOI-2.

The Company will provide further updates once further information is available.

The Company holds a 34.53% equity stake in Future Trillion Holdings Limited, which in turn holds a 82.09% equity stake in MKS.

The Company wishes to highlight that oil and gas exploration is an expensive and high risk operation. This project undertaken by the Group is still at the preliminary exploration stage. Further exploration and study will be needed to ascertain whether economically viable resources exist.

Shareholders or potential shareholders are asked to exercise caution in dealing with shares of the Company and should consult their legal, financial, tax and other professional advisers if they have any doubt as to the action to be taken prior to any update in this matter.

Documents available for inspection

The Report is available for inspection by shareholders at the office of the Company's share transfer agent, Boardroom Corporate & Advisory Services (Pte) Ltd at 50 Raffles Place Singapore Land Tower #32-01 Singapore 048623 during office hours from 24 May 2012 to 23 June 2012.

ON BEHALF OF THE BOARD

Shan Chang
Chairman

24 May 2012