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SSP  **南海石油**
SOUTH SEA PETROLEUM HOLDINGS LIMITED
南海石油控股有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 76)

ANNOUNCEMENT
DELAY IN DESPATCH OF CIRCULAR

As both the Company and its accountants require additional time to prepare the pro forma financial information in relation to the very substantial disposal to be included in the Circular, the Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 14.38 of the Listing Rules and the extension of time for despatch of the Circular to the shareholders of the Company to on or before 14 October 2006.

Reference is made to the announcement of the Company dated 8 September 2006 (the “Announcement”) in respect of the very substantial disposal of the 48% equity interest in South Sea Petroleum (Philippines) Corporation. Terms used herein shall have the same meanings as defined in the Announcement unless the context otherwise requires.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch a circular (the “Circular”) in respect of the Transaction to the shareholders of the Company within 21 days after the publication of the Announcement, that is, on or before 3 October 2006. As both the Company and its accountants require additional time to prepare both the pro forma financial information in relation to the Transaction to be included in the Circular, the Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 14.38 of the Listing Rules, and the time for despatch of the Circular to the shareholders of the Company will be extended to on or before 14 October 2006.

By order of the Board
South Sea Petroleum Holdings Limited
Lam Lee Yu
Company Secretary

Hong Kong, 28 September 2006

As at the date of this announcement, the board of directors comprises of Mr. Zhou Ling, Ms. Lee Sin Pyung and Ms. Sit Mei being executive directors, Mr. Lu Ren Jie, Mr. Chai Woon Chew and Mr. Ho Choi Chiu being independent non-executive directors.

“Please also refer to the published version of this announcement in The Standard”