

(Stock code: 3983)

ANNOUNCEMENT PRICE-SENSITIVE INFORMATION

The Board is pleased to announce that the Group's Fudao Phase II urea production plant and CNOOC Jiantao methanol plant in Hainan Province of the PRC have resumed production and normal operation on 29 December 2007 and 30 December 2007 respectively, after being shut down since 6 November 2007 due to suspension in the supply of natural gas.

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.

The Board is pleased to announce that the Group's Fudao Phase II urea production plant and CNOOC Jiantao methanol plant in Hainan Province of the PRC have resumed production and normal operation on 29 December 2007 and 30 December 2007 respectively, after being shut down since 6 November 2007 due to suspension in the supply of natural gas from Dongfang 1-1 Offshore Gas Field which is operated by CNOOC Limited, as announced on 6 and 23 November 2007.

Upon the occurrence of the incident, the Group and CNOOC Limited worked closely together to bring about recovery of production and normal operations within the shortest period of time. The Board is also attempting to strengthen the Group's natural gas supply arrangements.

Definitions

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

“Board”	the board of directors of the Company
“CNOOC Jiantao”	CNOOC Kingboard Chemical Limited (中海石油建滔化工有限公司), the equity interest of which is owned as to 60% by the Company
“CNOOC Limited”	CNOOC Limited (中國海洋石油有限公司)
“Company”	China BlueChemical Ltd. (中海石油化學股份有限公司)

“Group” China BlueChemical Ltd. and its subsidiaries and jointly-controlled entities

“PRC” the People’s Republic of China

By order of the Board of Directors of
China BlueChemical Ltd.*
Quan Changsheng
Company Secretary

Haikou, the People’s Republic of China
31 December 2007

As at the date of this announcement, the Executive Directors are Mr. Yang Yexin, Mr. Fang Yong and Mr. Chen Kai, the Non-executive Director is Mr. Wu Mengfei, and the Independent Non-executive Directors are Mr. Wang Wenshan, Mr. Zhang Xinzhi, Mr. Wu Xiaohua and Mr. Tsui Yiu Wa, Alec.

* *for identification purpose only*