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**DELAY IN DESPATCH OF CIRCULAR
REGARDING
A MAJOR AND CONNECTED TRANSACTION**

The Company has made an application to the Stock Exchange for an extension of time for despatch of the Circular to on or before 16 January 2008.

Reference is made to the announcement made by the Company dated 9 November 2007 in relation to the acquisition of the entire issued share capital of Better Step Group Limited (the “Announcement”). Terms defined in the Announcement shall have the same meanings when used herein unless the context requires otherwise.

Pursuant to Rules 14.38 and 14A.49 of the Listing Rules, the Company is required to despatch to the Shareholders a circular (the “Circular”) within 21 days after publication of the Announcement, which should be on or before 30 November 2007. As additional time is required by the technical adviser to complete the technical assessment on Oilfield Block 2104, the results of which shall be considered by the valuer in the valuation of Better Step, the Company would like to apply for a waiver from strict compliance with the requirements under Rules 14.38 and 14A.49 of the Listing Rules and an extension of time for the despatch of the Circular to on or before 16 January 2008.

Made by the order of the Board
Sino Union Petroleum & Chemical International Limited
Chui Say Hoe
Executive Director

Hong Kong, 30 November 2007

As at the date of this announcement, the Board comprises seven executive Directors, namely Dr. Wang Tao, Dr. Hui Chi Ming, Mr. Cheung Shing, Dr. Chui Say Hoe, Mr. Ching Men Ky Carl, Mr. Tsang Kwok Man and Mr. Cui Yeng Xu; two non-executive Directors, namely Dr. Fok Chun Wan Ian and Mr. Chow Charn Ki Kenneth; and two independent non-executive Directors, namely Dr. Yu Sun Say and Mr. Ng Wing Ka.

* For identification purpose only