



SOUTH CHINA RESOURCES, INC.

3/F Low Rise Pacific Star Bldg., Sen. Gil Puyat Ave. cor. Makati Ave., Makati City
Metro Manila, Philippines

November 18, 2010

The Disclosure Department

4/F Philippine Stock Exchange, Inc.
PSE Centre, Exchange Road
Ortigas Center, Pasig City

Attention: **Ms. JANET A. ENCARNACION**
Head, Disclosure Department

Gentlemen:

This is to announce that the SC-60 Joint Operations group of South China Resources, Inc., Kuwait Foreign Petroleum Company and Shell Philippines Exploration B.V. (SPEX) will conduct a CSEM (Controlled Source ElectroMagnetics) Survey in the Service Contract-60 Block in the northernmost Sulu Sea. South China Resources, Inc. holds fifteen percent (15%) participating interest in SC-60.

The survey will be undertaken by Electromagnetic Geoservices ASA (EMGS) using the vessel "BOA Galatea". They will use their proprietary EM Technology to support the SC-60 Joint Operations in their search for offshore hydrocarbons. The survey is expected to commence within the second half of November 2010.

Yours faithfully,

DAVID R. BALADAD
Corporate Information Officer/
VP – Operations