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## CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

### EVALUATION OF CONTINGENT RESERVES AND CONTINGENT RESOURCES IN THE LOFIN FIELD

CITIC Seram, as the Operator under the Seram Non-Bula Block PSC, has obtained an independent evaluation report by Sproule International Limited in respect of the amounts of gas and condensate in the Lofin Field on behalf of the participants under the Seram Non-Bula Block PSC. The Independent Report confirms the material gas discovery made from the drilling of Lofin-2.

The Independent Report evaluates and classifies the estimates of gas and condensate in the Lofin Field according to the contingent reserves and contingent resources classifications and definitions promulgated by SKK Migas.

#### Contingent Reserves and Contingent Resources of Gas Initially-In-Place

The Independent Report estimates that the Lofin Field contains, as of 31 August 2015, the following amounts of contingent reserves and contingent resources of gas initially-in-place:

Gas Initially-In-Place			
Contingent Reserves		Contingent Resources	
1P (Bcf)	2P (Bcf)	1CR (Bcf)	2CR (Bcf)
154.0	1,337.0	1,322.0	1,733.0

Note: The contingent reserves above are a subset of contingent resources as defined under the SKK Migas classification system.

The total amount of gas initially-in-place in the Lofin Field (2P plus 2CR) is estimated to be 3,070.0 Bcf.

#### Contingent Reserves and Contingent Resources of Recoverable Gas and Condensate

The Independent Report estimates that the Lofin Field contains, as of 31 August 2015, the following amounts of contingent reserves and contingent resources of recoverable gas and condensate:

	Contingent Reserves (Unrisked)		Contingent Resources (Unrisked)	
	1P (P <sub>90</sub> )	2P (P <sub>50</sub> )	1CR (P <sub>90</sub> )	2CR (P <sub>50</sub> )
Recoverable Gas (Bcf)	79.4	879.5	683.2	1,140.6
Condensate (MMbbl)	0.72	7.95	6.18	10.3
MMBOE	14.0	154.5	120.0	200.4

Note: The contingent reserves above are a subset of contingent resources as defined under the SKK Migas classification system.

The total amounts of recoverable gas and condensate (2P plus 2CR) in the Lofin Field are estimated to be 2,020.1 Bcf and 18.25 MMbbl respectively, and in aggregate equivalent to a total of 354.9 MMBOE.

### **Classification as Contingent Reserves and Contingent Resources**

The estimates of gas and condensate in the Lofin Field are classified as contingent reserves and contingent resources in the Independent Report in accordance with the classifications and definitions promulgated by SKK Migas as development of the Lofin Field is subject to the approval of the first plan of development for the Lofin Field by SKK Migas and implicitly, the extension of the Seram Non-Bula Block PSC.

### **Contingent Reserves and Contingent Resources Unrisked**

The estimates of contingent reserves and contingent resources of recoverable gas and condensate in the Lofin Field are unrisked; meaning their chance of development due to various factors including, amongst others, economic, regulatory, market and facility, corporate commitment and political risks and extension of the Seram Non-Bula Block PSC has not been assessed.

### **General**

**Shareholders and potential investors should note that there is no certainty or assurance that any portion of the contingent reserves or contingent resources in the Lofin Field will be developed or, if developed, there is no certainty as to either the timing of such development or whether it will be commercially viable to produce any portion of the contingent reserves or the contingent resources and that the actual volume that might be produced (if any) may be different from the estimated amounts provided in this announcement.**

This announcement is made by the board of directors (the “**Board**”) of CITIC Resources Holdings Limited (the “**Company**”) pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **Independent Report**

CITIC Seram Energy Limited (“**CITIC Seram**”), as the Operator under the Seram Island Non-Bula Block production sharing contract (the “**Seram Non-Bula Block PSC**”), has obtained an independent evaluation report (the “**Independent Report**”) by North American based Sproule International Limited in respect of the amounts of gas and condensate in the Manusela formation of the Seram Island Non-Bula Block, Indonesia (the “**Lofin Field**”) on behalf of the participants under the Seram Non-Bula Block PSC.

The Independent Report has been prepared by Sproule International Limited in accordance with the “best practices” recommended in the Canadian Oil and Gas Evaluation Handbook and evaluates and classifies the estimates of gas and condensate in the Lofin Field according to the contingent reserves and contingent resources classifications and definitions promulgated by the Upstream Oil and Gas Executive Agency of the Republic of Indonesia (“**SKK Migas**”).

Contingent reserves are a subset of contingent resources as defined under the SKK Migas classification system and are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies.

Contingent resources, as defined under the SKK Migas classification system, are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies.

Based on applicable geological data and the results and analyses from the drilling of the Lofin-1 exploration well (“**Lofin-1**”) and the Lofin-2 appraisal well (“**Lofin-2**”), estimates of the amounts of contingent reserves and contingent resources of gas and condensate in the Lofin Field from the Independent Report are described below. The Independent Report confirms the material gas discovery made from the drilling of Lofin-2.

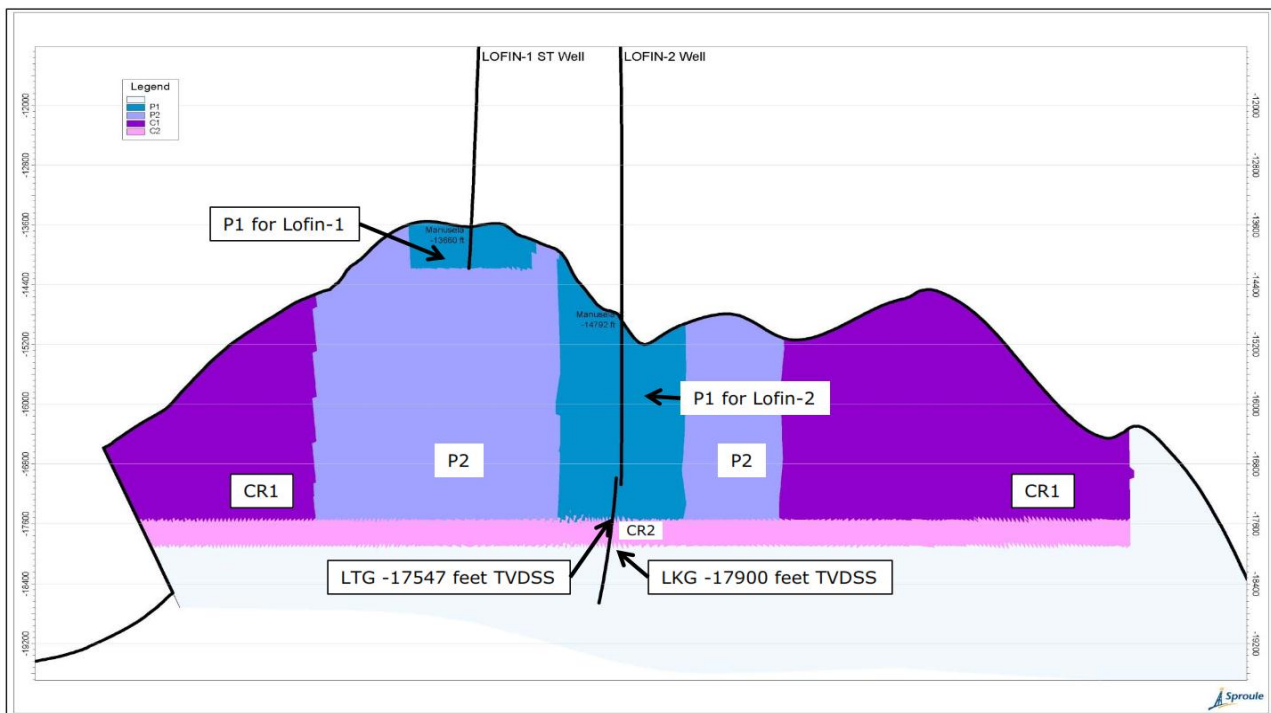
### Contingent Reserves and Contingent Resources of Gas Initially-In-Place

The estimated amounts of contingent reserves and contingent resources of gas initially-in-place in the Lofin Field, as of 31 August 2015, from the Independent Report are set out below:

Gas Initially-In-Place			
Contingent Reserves		Contingent Resources	
1P (Bcf)	2P (Bcf)	1CR (Bcf)	2CR (Bcf)
154.0	1,337.0	1,322.0	1,733.0

Based on the above amounts, the total amount of gas initially-in-place in the Lofin Field (2P plus 2CR) is estimated to be 3,070.0 Bcf.

The following diagram provides a schematic cross-section showing the gross rock volume allocation for P1, P2, CR1 and CR2 cases allocated for both contingent reserves and contingent resources in the Lofin Field:



## Contingent Reserves and Contingent Resources of Recoverable Gas and Condensate

The estimated amounts of contingent reserves and contingent resources of recoverable gas and condensate in the Lofin Field, as of 31 August 2015, from the Independent Report are set out below:

<b>Contingent Reserves (Unrisked) <sup>5</sup></b>		
	<b>Gross <sup>2</sup></b>	
	<b>1P <sup>3</sup> (P<sub>90</sub>)</b>	<b>2P <sup>4</sup> (P<sub>50</sub>)</b>
<b>Recoverable Gas (Bcf) <sup>1</sup></b>	79.4	879.5
<b>Condensate (MMbbl)</b>	0.72	7.95
<b>MMBOE</b>	14.0	154.5
<b>Contingent Resources (Unrisked) <sup>5</sup></b>		
	<b>Gross <sup>2</sup></b>	
	<b>1CR <sup>3</sup> (P<sub>90</sub>)</b>	<b>2CR <sup>4</sup> (P<sub>50</sub>)</b>
<b>Recoverable Gas (Bcf) <sup>1</sup></b>	683.2	1,140.6
<b>Condensate (MMbbl)</b>	6.18	10.3
<b>MMBOE</b>	120.0	200.4

Notes:

1. Recoverable gas volumes have been reduced to account for shrinkage due to condensate recovery.
2. These are the gross recoverable volumes, (i.e., 100% working interest) estimated for the Lofin Field, without any adjustments for any working interest or encumbrances.
3. 1P estimates and 1CR estimates are considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90% probability (P<sub>90</sub>) that the quantities actually recovered will equal or exceed the low estimate.
4. 2P estimates and 2CR estimates are considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50% probability (P<sub>50</sub>) that the quantities actually recovered will equal or exceed the best estimate.
5. Contingent reserve estimates and contingent resources estimates are based on the SKK Migas classification system. The 1P drainage area is a cylinder based on the lowest tested gas and a radius of 750 m. The 2P drainage area is a cylinder based on the lowest known gas and a radius of 1,875 m (2.5x1P radius).

Based on the above estimates, the total amounts of recoverable gas and condensate (2P plus 2CR) in the Lofin Field are estimated to be 2,020.1 Bcf and 18.25 MMbbl respectively, and in aggregate equivalent to a total of 354.9 MMBOE.

## Classification as Contingent Reserves and Contingent Resources

The estimates of gas and condensate in the Lofin Field are classified as contingent reserves and contingent resources in the Independent Report in accordance with the classifications and definitions promulgated by SKK Migas as development of the Lofin Field is subject to the approval of the first plan of development for the Lofin Field by SKK Migas and implicitly, the extension of the Seram Non-Bula Block PSC.

## Contingent Reserves and Contingent Resources Unrisked

The estimates of contingent reserves and contingent resources of recoverable gas and condensate in the Lofin Field are unrisked; meaning their chance of development due to various factors including, amongst others, economic, regulatory, market and facility, corporate commitment and political risks and extension of the Seram Non-Bula Block PSC has not been assessed.

## General

**Shareholders and potential investors should note that there is no certainty or assurance that any portion of the contingent reserves or contingent resources in the Lofin Field will be developed or, if developed, there is no certainty as to either the timing of such development or whether it will be commercially viable to produce any portion of the contingent reserves or the contingent resources and that the actual volume that might be produced (if any) may be different from the estimated amounts provided in this announcement.**

## Information on CITIC Seram and the Seram Non-Bula Block PSC

CITIC Seram is an indirect wholly-owned subsidiary of the Company and owns a 51% participating interest in the Seram Non-Bula Block PSC. CITIC Seram is also the Operator under the Seram Non-Bula Block PSC.

CITIC Seram together with its co-participants under the Seram Non-Bula Block PSC, KUFPEC (Indonesia) Limited (30% participating interest), Gulf Petroleum Investment Company k.s.c.c. (16.5% participating interest) and Lion Energy Limited (2.5% participating interest), are entitled to explore and develop oil and gas in the Seram Island Non-Bula Block until the expiry of the Seram Non-Bula Block PSC on 31 October 2019. CITIC Seram and its co-participants are working with SKK Migas towards obtaining an extension of the Seram Non-Bula Block PSC to permit them to continue oil and gas exploration, development and production in the Seram Island Non-Bula Block beyond 31 October 2019.

## Glossary

“1CR”	low estimate contingent resources
“1P”	proved contingent reserves
“2CR”	low estimate contingent resources plus best estimate contingent resources
“2P”	proved contingent reserves plus probable contingent reserves
“Bcf”	billion cubic feet
“CR1”	low estimate contingent resources
“CR2”	best estimate contingent resources
“LKG”	lowest known gas
“LTG”	lowest tested gas
“m”	metre

<b>“Mcf”</b>	thousand cubic feet
<b>“MMbbl”</b>	million barrels
<b>“MMBOE”</b>	barrels of oil equivalent (MMbbl). A barrel of oil equivalent conversion ratio of 6 Mcf : 1 barrel based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead
<b>“P1”</b>	proved contingent reserves
<b>“P2”</b>	probable contingent reserves
<b>“TVDSS”</b>	total vertical depth subsea

By Order of the Board  
**CITIC Resources Holdings Limited**  
**Kwok Peter Viem**  
*Chairman*

Hong Kong, 5 October 2015

*As at the date hereof, the executive directors of the Company are Mr. Kwok Peter Viem; Mr. Qiu Yiyong; Mr. Sun Yang; Mr. Guo Tinghu and Ms. Li So Mui, the non-executive directors are Mr. Ma Ting Hung and Mr. Wong Kim Yin, and the independent non-executive directors are Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji; Mr. Look Andrew and Mr. Shou Xuancheng.*