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CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

VOLUNTARY ANNOUNCEMENT

REDUCTION OF INTEREST IN SERAM ISLAND NON-BULA BLOCK PRODUCTION SHARING CONTRACT

The board of directors (the “**Board**”) of CITIC Resources Holdings Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) wishes to advise shareholders of the Company (“**Shareholders**”) and potential investors that CITIC Seram Energy Limited (“**CSEL**”), an indirect wholly-owned subsidiary of the Company, entered into an agreement on 7 February 2018, pursuant to which CSEL agreed to sell all of its rights, interests and obligations in respect of a 10% interest (the “**Sale Interest**”) in the Seram Island Non-Bula Block Production Sharing Contract (the “**PSC**”) to an independent third party (the “**Buyer**”). The purchase price payable by the Buyer for the Sale Interest is, subject to adjustment, US\$3,800,000 (the “**Sale Price**”). Completion of the sale of the Sale Interest is subject to certain conditions including applicable governmental approvals and the requisite approval of other participants in the PSC.

The PSC grants rights to the participants in the PSC in respect of the exploration, development and production of petroleum in the Seram Island Non-Bula Block, Indonesia (the “**Seram Block**”) until 31 October 2019. Assuming completion of the sale of the Sale Interest, CSEL will retain a 41% participating interest in the PSC.

The Sale Price was determined after arm’s length negotiations between CSEL and the Buyer. CSEL took into account an independent valuation report on CSEL and certain other factors including, but not limited to, current oil prices, current estimated reserves of the Seram Block and the remaining term of the PSC.

The Group expects to record an one-off gain from the sale of the Sale Interest. The gain will be calculated by reference to the difference between the Sale Price and attributable value of the Sale Interest in the Group’s consolidated financial statements, net of relevant tax and expenses to be incurred.

The Sale Price is payable in cash. The net proceeds resulting from the sale of the Sale Interest will be applied by CSEL as general working capital.

The sale of the Sale Interest does not constitute a notifiable transaction under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This is a voluntary announcement made by the Board to keep Shareholders and potential investors informed of latest developments concerning within the Group.

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

Hong Kong, 7 February 2018

As at the date hereof, Mr. Kwok Peter Viem; Mr. Suo Zhengang; Mr. Sun Yang and Ms. Li So Mui are executive directors of the Company, Mr. Chan Kin and Mr. Ma Ting Hung are non-executive directors of the Company, and Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji and Mr. Look Andrew are independent non-executive directors of the Company.