PRESS RELEASE

CITIC RESOURCES HOLDINGS LIMITED
中信資源控股有限公司

2015 INTERIM RESULTS
STEADY PRODUCTION GROWTH
KEY AREAS MAKING SATISFACTORY PROGRESS

Financial Highlights

(HK$ Million)	For the six months ended 30 June		
	2015	2014	**Change**
Revenue	**2,140.7**	15,141.5	(85.9%)
EBITDA*	**(453.3)**	1,050.6	N/A
Adjusted EBITDA^	**376.9**	1,739.7	(78.3%)
Profit/(Loss) attributable to shareholders	**(850.3)**	168.4	N/A

* *EBITDA = Profit/ (loss) before tax + finance costs + depreciation + amortisation*

^ *Adjusted EBITDA = EBITDA + share of depreciation, amortisation, finance costs, income tax expense/ (credit) and non-controlling interests of a joint venture + fair value loss on financial assets at fair value through profit or loss (before tax credit)*

(Hong Kong, 2 August 2015) – CITIC Resources Holdings Limited ("**CITIC Resources**" or the "**Company**") (HKEx stock code: 1205) announced unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2015 (the "**Period**").

Affected by subdued global oil and commodities selling prices, as well as the slowdown in economic growth in China, the Group's revenue fell significantly in the first half of 2015. Factoring in the mark to market reduction in fair value of the Group's investment in Alumina Limited ("**AWC**") and increased share of loss with respect to its interest in CITIC Dameng Holdings Limited ("**CDH**"), the Group's EBITDA recorded a loss of HK$453.3 million with loss attributable to shareholders standing at HK$850.3 million during the Period.

Amid the challenging operating environment, the Group adopted several measures in order to alleviate the impacts of decelerating oil and commodity prices on its operations. In the first half of 2015, average daily production reached 49,000 barrels (100% basis), up 3% year-on-year. During the Period, the Group achieved satisfactory progress in several key areas: 1) JSC Karazhanbasmunai ("**KBM**") obtained government approval in June 2015 to an extension of its existing right to produce and sell oil until 2035, which lifts the investment value of the oilfield for the Group; 2) drilling and testing of Lofin-2 appraisal well at the Seram Block have been encouraging with results so far indicating a material gas discovery; 3) the Yuedong oilfield is currently employing thermal recovery technique on a trial basis with favorable initial outcomes, and will seek to adopt this technique on a more extensive scale within the Yuedong oilfield upon satisfactory results of this trial; 4) the Group concluded a 3-year term loan facility of US$490 million which has helped improve its financial flexibility.

Sales to external customers

(HK$ Million)	For the six months ended 30 June		
	2015	2014	**Change**
Crude Oil*	**477.9**	871.9	(45.2%)
Coal	**347.0**	365.6	(5.1%)
Aluminium Smelting	**525.3**	545.0	(3.6%)
Import and Export of Commodities	**790.5**	13,359.0	(94.1%)
Consolidated	**2,140.7**	15,141.5	(85.9%)

* *After the adoption of HKFRS11 in January 2013, the share of crude oil sales from the Karazhanbas oilfield is no longer consolidated into the revenue of the Group*

Crude Oil

The Group recorded a steady rise in production volume compared to that of last year from all of its oilfields, namely the Karazhanbas oilfield in Kazakhstan, the Yuedong oilfield in China and the Seram Island Non-Bula Block in Indonesia.

Karazhanbas oilfield in Kazakhstan

Production at the Karazhanbas oilfield slightly improved with average daily production reaching 39,200 barrels (100% basis). KBM obtained government approval in June 2015 to an extension of its existing right to produce and sell oil until 2035, which lifts the investment value of the oilfield for the Group.

Yuedong oilfield in the Bohai Bay Basin of Liaoning, China

Average daily production at the Yuedong oilfield increased by 13% year-on-year to 6,900 barrels (100% basis). The Group is currently employing thermal recovery technique on a trial basis with favorable initial outcomes. Upon satisfactory results of this trial, the Group will seek to utilise this technique on a more extensive scale within the Yuedong oilfield to enhance production.

Seram Island Non-Bula Block in Indonesia

Average daily production at the Seram Block increased by 8% year-on-year to 2,900 barrels (100% basis). Drilling and testing of the Lofin-2 appraisal well have been encouraging with results so far indicating a material gas discovery. An independent petroleum consulting firm has been engaged to appraise and evaluate the presence and amounts of oil/condensate and gas within the Manusela Formation.

Daily oilfield production (100% basis)

Daily production (barrels)	For the six months ended 30 June		
	2015	2014	**Change**
Karazhanbas oilfield in Kazakhstan	**39,200**	38,800	**+1%**
Yuedong oilfield in the Bohai Bay Basin of Liaoning, China	**6,900**	6,100	**+13%**
Seram Island Non-Bula Block in Indonesia	**2,900**	2,700	**+8%**
Consolidated	**49,000**	47,600	**+3%**

Coal

Thanks to cost control measures, segment results of the Group's coal segment improved during the Period. Segment revenue dropped to HK$347.0 million attributable to falling coal prices amid weak market demand.

Metals

For the Group's Portland Aluminium Smelter joint venture in Australia, due to a higher average selling price for aluminium during the Period when compared to 1H 2014, the profitability of the aluminium smelting segment improved, with segment results of approximately HK$58.6 million.

Although short-term market fluctuations resulted in a significant fair value loss in the Group's investment in AWC at the end of the Period, the Group is confident there will be a reasonable return from this investment going forward.

During the Period, because of softer prices for major magnesium products, the Group recorded an increased share of loss with respect to its interest in CDH. The Group's interest in CDH was diluted to from 38.98% to 35.43% as a result of the issue of new shares by CDH under a share placement in June 2015, and was further diluted to 34.36% in July 2015 following CDH issuing shares as consideration for the purchase of shares of China Polymetallic Mining Limited ("**CPM**"). As a result of the acquisition of a 29.81% interest in CPM, CDH has diversified its investment into the non-ferrous metals sector, changing itself from a pure manganese producer to an integrated mineral producer.

Import and export of commodities

During the Period, the commodities markets continued to be depressed as a result of the relative slowdown in major markets, especially China. This, together with heightened market competition and the loss of key customers in 2H 2014, led to material decrease in trading volume. Revenue dropped by 94% year-on-year to HK$790.5 million and segment results dropped by 78% year-on-year to HK$36.7 million.

Business Outlook

Looking ahead, the Group believes oil prices will remain low and demand for energy and commodities will remain weak for some more time. Taking into consideration uneven growth prospects across major economies, slowdown of economic growth in China, and industry overcapacity, the Group expects increasing business challenges and will remain alert to the changing market environment and take necessary measures. The Group will also endeavour to upgrade its research and development capabilities, enhance oil recovery techniques, and strengthen the exploration and developments of oilfields to achieve stable oil production growth to safeguard the interests of shareholders.

Taking advantage of the support from 中國中信集團有限公司 (CITIC Group Corporation), the Group will foster organic growth and seek quality investment opportunities to maximise economic benefits for shareholders.

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About CITIC Resources Holdings Limited (HKEx stock code: 1205)

CITIC Resources Holdings Limited has been listed on the Hong Kong Stock Exchange since 1997. Principal activities of the Company include the exploration, development and production of oil and coal, investments in manganese, bauxite mining, alumina refinery and aluminium smelting, as well as the import and export of commodities. CITIC Limited is the largest shareholder with about 59% interest in the Company.

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