



中信資源控股有限公司 CITIC Resources Holdings Limited

CITIC Seram wins 2020 Best Technical Discovery Award in Indonesia

(Hong Kong, 20 October 2020) - CITIC Resources Holdings Limited (“CITIC Resources” or the “Company”) (Stock Code: 1205) is pleased to announce that CITIC Seram Energy Limited (“CITIC Seram”), a subsidiary of CITIC Resources, won the 2020 Best Technical Discovery of IAGI Exploration Award awarded by the Institute of Geologist Experts (“IAGI”) in Indonesia. This is Indonesia's first time to award achievements in natural resources explorations. The panel members are all geologist experts of government departments such as the Department of Energy and Mineral Resources, Directorate General of Oil and Gas, SKK Migas, Geothermal Division, Directorate General of Minerals and Coal, and Geological Agency, as well as well-known experts from universities and industries. The scope of the assessments mainly focused on the exploration achievements in oil and gas, geothermal, mineral and coal fields in Indonesia in the past ten years, including major exploration discoveries, technological innovations, etc. The assessment process lasts for about 7 months. This is a remarkable exploration award in the resources and energy industry in Indonesian. This award demonstrates the Company's expertise in geological exploration.



Best Technical Discovery



Lofin-2 appraisal well

The Seram Non-Bula Block is located on the Seram Island, Indonesia. In 2012, Lofin-1 exploration well (“Lofin-1”) was drilled to explore the oil and gas potential. Lofin-1 was drilled to a total measured depth of 14,525 feet, and the results of the drilling revealed a presence of gas and oil/condensate. In October 2014,

CITIC Seram commenced drilling of Lofin-2 appraisal well (“**Lofin-2**”) to appraise the discovery of Lofin-1 and evaluate the potential oil/condensate and gas deposits within the Manusela Formation. Well logs indicated the presence of thick intervals of hydrocarbons, and hydrocarbons were discovered from the drill stem tests.

The Company engaged Sproule International Limited (“**Sproule**”), an independent petroleum consulting firm, to evaluate and appraise the presence and quantity of the oil/condensate oil and natural gas in the Manudela Formation. According to the evaluation report of Sproule, as of August 31, 2015, the amounts of contingent reserves and contingent resources of gas initially-in-place, recoverable gas and condensate in the Lofin field are estimated at 3,070 Bcf, 2,020 Bcf and 18.25 MMbbl (100% basis) respectively, equivalent to a total of 354.9 MMboe (100% basis).

Winning of the Best Technical Discovery Award by CITIC Seram Energy Limited, a subsidiary of CITIC Resources, demonstrates the success of the test drilling technology in Lofin field in Indonesia. This remarkable discovery represents one of the Company’s major milestones, which opened up doors of opportunities for the Company to tap into the gas exploration sector, and drives the Company in achieving a sustainable growth. Facing the current challenging and complicated market environment, the Company will resume the exploration of the Lofin field when it thinks fit, to unlock investment value of this block soon to contribute to the Group’s overall oil and gas production in the near future.

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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 60% interest in the Company.

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