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**CNOOC Limited**  
**(中國海洋石油有限公司)**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*  
**(Stock Code: 00883)**

**2018 Business Strategy**

In line with its policy of keeping the market informed of its activities, the Company announces a summary of its business strategy and development plan for the year 2018.

This announcement includes “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, including statements regarding expected future events, business prospectus or financial results. The words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analyses made by the Company that it believes are appropriate under the circumstances. However, whether actual results and developments will meet the expectations and predictions of the Company depend on a number of risks and uncertainties which could cause the actual results, performance and financial condition to differ materially from the Company’s expectations. For a description of these risks and uncertainties, please see the documents the Company files from time to time with the United States Securities and Exchange Commission, including the Annual Report on Form 20-F filed in April of the latest fiscal year.

In line with its policy of keeping the market informed of its activities, CNOOC Limited (the “Company”) announces a summary of its business strategy and development plan for the year 2018.

The Company’s targeted net production for 2018 is 470 million to 480 million barrels of oil equivalent (BOE)\*, of which, production from China and overseas accounts for approximately 64% and 36%, respectively. The Company’s net production for 2017 is expected to be approximately 469 million BOE. The Company’s net production for 2019 and 2020 are estimated to be approximately 485 million BOE and 500 million BOE, respectively.

In 2018, five new projects are expected to come on stream, namely Stampede oil field in the United States as well as Weizhou 6-13 oil field, Penglai 19-3 oil field 1/3/8/9 comprehensive adjustment project, Dongfang 13-2 gas fields and Wenchang 9-2/9-3/10-3 gas fields in offshore China. The Company will continue to promote the progress of its major overseas projects.

In 2018, the Company plans to drill 132 exploration wells and acquire approximately 19 thousand square kilometers 3-Dimensional (3D) seismic data.

The Company's total capital expenditure for 2018 is budgeted at RMB70.0 billion to RMB80.0 billion. The capital expenditures for exploration, development and production account for approximately 18%, 65% and 16%, respectively. The Company will steadily increase reserve and productions levels, continue to reinforce quality and efficiency enhancement, and maintain prudent financial policy and investment decision-making.

*\* Including our interest in equity-accounted investees.*

By Order of the Board  
**CNOOC Limited**  
**Li Jiewen**  
*Joint Company Secretary*

Hong Kong, 1 February 2018

As at the date of this announcement, the Board comprises the following:

***Executive Directors***

Yuan Guangyu  
Xu Keqiang

***Non-executive Directors***

Yang Hua (*Chairman*)  
Liu Jian (*Vice Chairman*)  
Wu Guangqi

***Independent Non-executive Directors***

Chiu Sung Hong  
Lawrence J. Lau  
Tse Hau Yin, Aloysius  
Kevin G. Lynch

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These statements are based on assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate under the circumstances. However, whether actual results and developments will meet the expectations and predictions of the Company depends on a number of risks and uncertainties which could cause the actual results, performance and financial condition to differ materially from the Company’s expectations, including those associated with fluctuations in crude oil and natural gas prices, the exploration or development activities, the capital expenditure requirements, the business strategy, whether the transactions entered into by the Group can complete on schedule pursuant to the terms and timetable or at all, the highly competitive nature of the oil and natural gas industries, the foreign operations, environmental liabilities and compliance requirements, and economic and political conditions in the People’s Republic of China. For a description of these risks and uncertainties, please see the documents the Company files from time to time with the United States Securities and Exchange Commission, including the Annual Report on Form 20-F filed in April of the latest fiscal year. Consequently, all of the forward-looking statements made in this announcement are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realised or, even if substantially realised, that they will have the expected effect on the Company, its business or operations.