

HONG KONG, Jan. 19, 2016 /CNW/ -- [CNOOC Ltd.](#) (the "Company", SEHK: 00883, NYSE: CEO, TSX: CNU) today announced its business strategy and development plan for the year 2016.

The Company's net production target for 2016 is in the range of 470-485 million barrels of oil equivalent (BOE), of which approximately 66% and 34% are produced in China and overseas respectively. The net production targets set for 2017 and 2018 are around 484 and 502 million BOE respectively. The estimated net production for 2015 was approximately 495 million BOE.

There will be 4 new projects coming on stream, including the Kenli 10-4, Panyu 11-5, Weizhou 6-9/6-10 oilfield comprehensive adjustment and Enping 18-1. Currently, nearly 20 projects are under construction.

Within the year, we plan to drill around 115 exploration wells and acquire approximately 10 thousand kilometers of 2-Dimensional (2D) seismic data as well as approximately 14 thousand square kilometers of 3-Dimensional (3D) seismic data.

The Company's total capital expenditure for 2016 will be no more than RMB60.0 billion. Of that amount, the capital expenditures for exploration, development and production will account for around 19%, 64% and 13% respectively. The Company expects to achieve the whole-year targets by cost control and efficiency enhancement despite the lower capital expenditure.

Mr. Zhong Hua, CFO of the Company, commented: "In response to the continued challenge posed by low oil prices, we will maintain prudent financial policy and further strengthen cost-control measures in order to make steady progress in the overall business, including exploration, development and production."

Mr. Li Fanrong, CEO of the Company, commented: "Faced with an increasingly complicated operating environment in 2016, the Company will fully utilize market mechanisms and combine innovations in technology and management in order to reduce costs and enhance efficiency. In addition, the Company will ensure an appropriate balance between short-term returns and long-term growth to promote a steady and healthy development."

Notes to Editors:

More information about the Company is available at <http://www.cnoocld.com>.

This press release 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 analysis made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes reasonable under the circumstances. However, whether actual results and developments will meet the Company's expectations and predictions depends on a number of risks and uncertainties which could cause the actual results, performance and financial conditions 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 Company can complete on schedule pursuant to its 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 and other risks and uncertainties, please see the documents the Company has filed from time to time with the United States Securities and Exchange Commission, including 2015 Annual Report on Form 20-F filed on April 24, 2014.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realized or, even if substantially realized, that they will have the expected effect on the Company, its business or operations.

For further enquiries, please contact:

Ms. Michelle Zhang
Deputy Manager, Media / Public Relations
[CNOOC Ltd.](#)
Tel: +86-10-8452-6642
Fax: +86-10-8452-1441
E-mail: MR@cnooc.com.cn

Ms. Cathy Zhang
Hill+Knowlton Strategies Asia
Tel: +852-2894-6211

Fax: +852-2576-1990
E-mail: cathy.zhang@hkstrategies.com

Logo - <http://photos.prnasia.com/prnh/20150819/8521505396>LOGO

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