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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: 883)**

**ANNOUNCEMENT**

The board of directors (the “**Board**”) of CNOOC Limited (the “**Company**”) is pleased to announce that the Company proposes to form a 50%/50% joint venture with Bidas Energy Holdings Ltd (“**BEH**”) in Bidas Corporation (the “**JVCo**”) for a consideration of approximately US\$3.1 billion (equivalent to approximately HKD24 billion, at the exchange rate of USD1 = HKD7.7587, being the exchange rate prevailing on 12 March 2010) in cash (the “**Transaction**”). BEH is an independent third party of the Company. In this connection, CNOOC International Limited, a wholly owned subsidiary of the Company, entered into the relevant transaction documents with BEH on 13 March 2010. The JVCo is currently a wholly owned subsidiary of BEH and could have its name changed after completion of the Transaction. The Transaction will be funded from the internal resources of the Company.

Completion of the Transaction is subject to certain terms and conditions, including, among other things, all necessary governmental and regulatory approvals, permissions and consents in the People’s Republic of China having been obtained and certain events constituting material adverse change not having occurred prior to completion. The Transaction is expected to be completed in the first half of 2010.

Upon completion of the Transaction, the Company, through CNOOC International Limited, and BEH will each hold a 50% interest in the JVCo. A joint venture deed has been entered into between CNOOC International Limited, BEH and the JVCo, which allows the two shareholders to make management decisions in relation to the JVCo on a joint basis.

**Information on the JVCo**

The JVCo is a private company incorporated in the British Virgin Islands with a focus on oil and gas exploration and production. The JVCo, through its affiliates (including a 40% interest in Pan American Energy LLC), has exploration and production activities in Argentina, Bolivia and Chile. At the end of 2009, the JVCo had proven reserves of 636 million barrels of oil equivalent (“BOE”) and an average daily production of 92 thousand BOE.

### **Reasons for the Transaction**

The Transaction is aligned with the Company’s growth strategy by expanding the Company’s reach into Latin America and establishes a foundation for future growth in the region and other countries. The JVCo has a world-class oil and gas asset portfolio with significant growth potential through future explorations. The JVCo’s strong management team has a proven track record of developing oil and gas resources in Latin America. In addition, on a proportionate basis, based on relevant 2009 statistics, it is expected that, upon completion of the Transaction, proven reserves and average daily production of the Company will be increased by 318 million BOE and 46 thousand BOE respectively.

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This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This announcement is published on the website of The Stock Exchange of Hong Kong Limited (<http://www.hkex.com.hk>) and on the Company’s website (<http://www.cnooltd.com>).

By Order of the Board  
**CNOOC Limited**  
**Jiang Yongzhi**  
*Joint Company Secretary*

Hong Kong, 14 March 2010

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

#### ***Executive Directors***

Fu Chengyu (*Chairman*)  
Yang Hua  
Wu Guangqi

#### ***Independent Non-executive Directors***

Edgar W. K. Cheng  
Chiu Sung Hong  
Lawrence J. Lau  
Tse Hau Yin, Aloysius  
Wang Tao

#### ***Non-executive Directors***

Zhou Shouwei  
Cao Xinghe  
Wu Zhenfang