

CNOOC LTD
 Form 424B2
 April 29, 2015
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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(2)
2.625% Guaranteed Notes due 2020	US\$1,500,000,000	99.716%	US\$1,495,740,000	US\$173,805
3.500% Guaranteed Notes due 2025	US\$2,000,000,000	99.075%	US\$1,981,500,000	US\$230,250
4.200% Guaranteed Notes due 2045	US\$300,000,000	100.000%	US\$300,000,000	US\$34,860

- (1) Pursuant to Rule 457(n) under the Securities Act of 1933, as amended, no separate fee is payable with respect to the guarantees of CNOOC Limited in connection with the above debt securities.
- (2) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-188261
Registration No. 333-188261-03
Registration No. 333-188261-04

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED April 27, 2015

CNOOC FINANCE (2015) AUSTRALIA PTY LTD

Australian Company Number 604 822 335

(incorporated in Victoria, Australia)

US\$1,500,000,000 2.625% Guaranteed Notes due 2020

US\$300,000,000 4.200% Guaranteed Notes due 2045

unconditionally and irrevocably guaranteed by

CNOOC Limited

(incorporated with limited liability in Hong Kong)

and

CNOOC FINANCE (2015) U.S.A. LLC

(formed in the State of Delaware)

US\$2,000,000,000 3.500% Guaranteed Notes due 2025

unconditionally and irrevocably guaranteed by

CNOOC Limited

(incorporated with limited liability in Hong Kong)

The 2.625% Guaranteed Notes due 2020 (the 2020 Notes) and the 4.200% Guaranteed Notes due 2045 (the 2045 Notes) will be issued in initial aggregate principal amounts of US\$1,500,000,000 and US\$300,000,000, respectively,

by CNOOC Finance (2015) Australia Pty Ltd (the 2015 Australian Issuer). The 3.500% Guaranteed Notes due 2025 (the 2025 Notes) will be issued in initial aggregate principal amounts of US\$2,000,000,000, by CNOOC Finance (2015) U.S.A. LLC (the 2015 Delaware Issuer, and together with the 2015 Australian Issuer, the 2015 Issuers, or each a 2015 Issuer). We refer to the 2020 Notes and the 2045 Notes in this prospectus supplement collectively as the Australian Issuer Notes. The Australian Issuer Notes will be the direct, unconditional, unsubordinated and unsecured obligations of the 2015 Australian Issuer, unconditionally and irrevocably guaranteed by CNOOC Limited (the Company). The 2025 Notes are referred to in this prospectus supplement as the Delaware Issuer Notes (and together with the Australian Issuer Notes, the Notes). The Delaware Issuer Notes will be the direct, unconditional, unsubordinated and unsecured obligations of the 2015 Delaware Issuer, unconditionally and irrevocably guaranteed by the Company. We refer to the guarantees by the Company as the Guarantees.

The 2020 Notes will bear interest from May 5, 2015 at the rate set forth above, payable semi-annually in arrears on May 5 and November 5 of each year, commencing November 5, 2015. The 2025 Notes will bear interest from May 5, 2015 at the rate set forth above, payable semi-annually in arrears on May 5 and November 5 of each year, commencing November 5, 2015. The 2045 Notes will bear interest from May 5, 2015 at the rate set forth above, payable semi-annually in arrears on May 5 and November 5 of each year, commencing November 5, 2015.

The Notes may be redeemed at any time upon the occurrence of certain tax events. At any time, the Company or the 2015 Issuers may, at the Company's or the respective 2015 Issuer's option, redeem the Australian Issuer Notes or the Delaware Issuer Notes, as applicable, in whole or in part, at a redemption price equal to 100% of the principal amount of such series of Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date. For a more detailed description of the Notes and the Guarantees, see Description of the Notes and Guarantees in this prospectus supplement and Description of Debt Securities and Guarantees in the accompanying prospectus.

Investing in the Notes involves risks. See Risk Factors beginning on page S-13.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or the Guarantees or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price⁽¹⁾	Underwriting Discount	Proceeds to the Issuer (Before Expenses)⁽¹⁾
Per 2020 Note	99.716%	0.2%	99.516%
Total	US\$ 1,495,740,000	US\$ 3,000,000	US\$ 1,492,740,000
Per 2025 Note	99.075%	0.2%	98.875%
Total	US\$ 1,981,500,000	US\$ 4,000,000	US\$ 1,977,500,000
Per 2045 Note	100.000%	0.2%	99.800%
Total	US\$ 300,000,000	US\$ 600,000	US\$ 299,400,000

Note:

(1) Plus accrued interest, if any, from May 5, 2015

Application has been made to The Stock Exchange of Hong Kong Limited (the HKSE) for listing of, and permission to deal in, the Notes by way of debt issue to professional investors only and such permission is expected to become effective on or about May 6, 2015. Hong Kong Exchanges and Clearing Limited and the HKSE take no responsibility for the contents of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement.

We expect to deliver the Notes to investors through the book-entry delivery system of The Depository Trust Company and its direct participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, on or about May 5, 2015, which is the fifth business day following the date of this prospectus supplement. Purchasers of the Notes should note that trading of the Notes may be affected by this settlement date. Neither the Australian Issuer Notes offering nor the Delaware Issuer Notes offering contemplated hereby is contingent upon the other. See Underwriting.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

(in alphabetical order)

BOC International

Citigroup

Credit Suisse

Goldman Sachs (Asia) L.L.C.

Joint Bookrunners

(in alphabetical order)

**BofA Merrill Lynch
Morgan Stanley**

CICC HK Securities

ICBC International

**J.P. Morgan
Standard Chartered
Bank**

Société Générale Corporate & Investment Banking

The date of this prospectus supplement is April 28, 2015

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Notice to Prospective Investors in Hong Kong

You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. The Notes are only available in Hong Kong or to persons resident in Hong Kong who are (a) professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) acquiring the Notes in circumstances which do not result in the document being a prospectus as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. Each purchaser of the Notes in the United States who is a resident of Hong Kong, by accepting delivery of this prospectus supplement and the accompanying prospectus, will be deemed to have represented, agreed and acknowledged that (a) it is a professional investor as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) it is acquiring the Notes in circumstances which do not result in the document being a prospectus as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance.

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We are responsible for the information contained and incorporated by reference in this prospectus supplement, the accompanying prospectus and in any related free writing prospectus we prepare or authorize. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. If you are in a jurisdiction where offers to sell, or solicitations of offers to purchase, the Notes offered by this document are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this document does not extend to you. The information contained in this document speaks only as of the date of this document, unless the information specifically indicates that another date applies.

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ABOUT THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. This prospectus supplement also incorporates by reference the information described under [Where You Can Find More Information About Us](#). The second part is the accompanying prospectus dated April 27, 2015. The accompanying prospectus contains a description of our debt securities and gives more general information, some of which may not apply to this offering.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus include particulars given in compliance with the Rules Governing the Listing of Securities on HKSE for the purpose of giving information with regard to us. We accept full responsibility for the accuracy of the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

In this prospectus supplement, unless otherwise indicated, references to [we](#), [us](#), [our](#) and the [Company](#) refer to CNOOC Limited, or CNOOC Limited and its subsidiaries, including CNOOC Finance (2015) Australia Pty Ltd (ACN 604 822 335) and CNOOC Finance (2015) U.S.A. LLC (the [2015 Issuers](#) and each a [2015 Issuer](#)), as the context requires. References to [CNOOC](#) are to China National Offshore Oil Corporation and its subsidiaries (other than CNOOC Limited and its subsidiaries). References to [China](#) and the [PRC](#) refer to the People's Republic of China and, solely for the purpose of this prospectus supplement, exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan. References to [Renminbi](#) and [RMB](#) are to the legal currency of China, references to [U.S. dollars](#) and [US\\$](#) are to the legal currency of the United States, and references to [Hong Kong dollars](#) and [HK\\$](#) are to the legal currency of the Hong Kong Special Administrative Region.

There has been no material adverse change in the financial or trading position of the [Company](#) since December 31, 2014, except as set out in the [Risk Factors](#) and [Certain Financial Data](#) sections of this prospectus supplement.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including statements regarding expected future events, business prospects or financial results. The words expect, anticipate, continue, estimate, objective, ongoing, may, will, project, should, believe, plans, expressions are intended to identify such forward-looking statements.

These forward-looking statements address, among others, such issues as:

the amount and nature of future exploration, development and other capital expenditures;

wells to be drilled or reworked;

development projects;

exploration prospects;

estimates of proved oil and gas reserves;

development and drilling potential;

expansion and other development trends of the oil and gas industry;

business strategy;

production of oil and gas;

development of undeveloped reserves;

expansion and growth of our business and operations;

oil and gas prices and demand;

future earnings and cash flow; and

our estimated financial information.

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These statements are based on assumptions and analysis made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual results and developments will meet our expectations and predictions depend on a number of risks and uncertainties which could cause our actual results, performance and financial condition to differ materially from our expectations, including those associated with fluctuations in crude oil and natural gas prices, our exploration or development activities, our capital expenditure requirements, our business strategy, whether the transactions entered into by us can complete on schedule pursuant to their terms and timetable or at all, the highly competitive nature of the oil and natural gas industry, our foreign operations, environmental liabilities and compliance requirements, and economic and political conditions in the PRC and overseas. For a description of these and other risks and uncertainties, see **Risk Factors** and other cautionary statements appearing in this prospectus supplement and the documents incorporated by reference.

Consequently, all of the forward-looking statements made in this prospectus supplement and the documents incorporated by reference are qualified by these cautionary statements. We cannot assure you that the results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected effect on us, our business or our operations.

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SUMMARY

The following summary highlights information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. It may not contain all of the information that you should consider before investing in the Notes. You should carefully read this entire prospectus supplement, as well as the accompanying prospectus and the documents incorporated by reference herein that are described under Where You Can Find More Information About Us.

Our Business

CNOOC Limited

We are an upstream company specializing in the exploration, development and production of oil and natural gas. We are the dominant oil and natural gas producer in offshore China and, in terms of reserves and production, we are also one of the largest independent oil and natural gas exploration and production companies in the world.

As of the end of 2014, we had net proved reserves of approximately 4.48 billion BOE including approximately 2.46 billion barrels of crude oil and 7,268.1 bcf of natural gas. In 2014, we had an average daily production of approximately 955,647 barrels of crude oil and approximately 1,330.1 mmcf of natural gas, representing a total net oil and gas production of 1.18 million BOE per day, including approximately 47,640 BOE per day under our equity method investees (except as otherwise stated, all amounts of reserve and production in this prospectus supplement include our interests in equity method investees).

Our total revenues were RMB247.6 billion, RMB285.9 billion and RMB274.6 billion in 2012, 2013 and 2014, respectively. Our profit for the year was RMB63.7 billion, RMB56.5 billion and RMB60.2 billion in 2012, 2013 and 2014, respectively.

We were incorporated with limited liability on August 20, 1999 in Hong Kong under the Hong Kong Companies Ordinance. The PRC government established CNOOC, our controlling shareholder, as a state-owned offshore petroleum company in 1982 under the Regulation of the PRC on the Exploitation of Offshore Petroleum Resources in Cooperation with Foreign Enterprises. CNOOC assumed certain responsibility for the administration and development of PRC offshore petroleum operations with foreign oil and gas companies. Prior to CNOOC's reorganization in 1999, CNOOC and its various affiliates performed both commercial and administrative functions relating to oil and natural gas exploration and development in offshore China. In 1999, CNOOC transferred all of its then current operational and commercial interests in its offshore petroleum business, including the related assets and liabilities, to us. As a result, we and our subsidiaries are the only vehicles through which CNOOC engages in oil and gas exploration, development, production and sales activities both in and outside the PRC.

Our registered office is located at 65th Floor, Bank of China Tower, One Garden Road, Central, Hong Kong, and our telephone number is +852 2213-2500. We maintain a website at www.cnooltd.com where general information about us is available. The contents of the website are not part of this prospectus supplement or the accompanying prospectus.

THE 2015 ISSUERS

CNOOC Finance (2015) Australia Pty Ltd is our wholly-owned subsidiary and was incorporated as a proprietary company on March 18, 2015 in Victoria, Australia. It has no material assets and will conduct no business except in connection with the issuance of debt securities and the loan of proceeds from such issuance to us or a company controlled by us. Its registered office is located at the offices of its recognized agent, Anchor Legal, at Level 6, 105 St Georges Terrace, Perth, Western Australia 6000, Australia. Its telephone number is +61-8-9486-9777.

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CNOOC Finance (2015) Australia Pty Ltd will be treated as a disregarded entity for U.S. federal income tax purposes.

CNOOC Finance (2015) U.S.A. LLC is our wholly-owned subsidiary and was formed as a limited liability company on March 23, 2015 in the State of Delaware. It has no material assets and will conduct no business except in connection with the issuance of debt securities and the loan of proceeds from such issuance to us or a company controlled by us. Its registered office is located at the offices of its registered agent, Corporation Service Company, at 2711 Centerville Road, Wilmington, Delaware, U.S.A. 19808. Its telephone number is 302-636-5400.

CNOOC Finance (2015) U.S.A. LLC will be treated as a disregarded entity for U.S. federal income tax purposes.

Table of Contents**The Offering**

The following is a brief summary of the terms of this offering and is qualified in its entirety by the remainder of this prospectus supplement and the accompanying prospectus. Terms used in this summary and not otherwise defined shall have the meanings given to them in Description of the Notes and Guarantees in this prospectus supplement and Description of Debt Securities and Guarantees in the accompanying prospectus.

Issuers	CNOOC Finance (2015) Australia Pty Ltd (the 2015 Australian Issuer), a proprietary company incorporated in and under the Laws of Victoria, Australia on March 18, 2015 (ACN 604 822 335), and CNOOC Finance (2015) U.S.A. LLC (the 2015 Delaware Issuer, and together with the 2015 Australian Issuer, the 2015 Issuers, or each a 2015 Issuer), a limited liability company formed in and under the laws of the State of Delaware on March 23, 2015 (Registration No. 47-3525422).
Guarantor	CNOOC Limited (the Company), a company incorporated with limited liability on August 20, 1999 in Hong Kong under the Companies Ordinance (Registration No. 685974).
Notes Offered	<p>US\$1,500,000,000 aggregate principal amount of 2.625% guaranteed notes due 2020 issued by the 2015 Australian Issuer,</p> <p>US\$2,000,000,000 aggregate principal amount of 3.500% guaranteed notes due 2025 issued by the 2015 Delaware Issuer, and</p> <p>US\$300,000,000 aggregate principal amount of 4.200% guaranteed notes due 2045 issued by the 2015 Australian Issuer.</p>
Concurrent Offerings of Australian Issuer Notes and Delaware Issuer Notes	Neither the Australian Issuer Notes offering nor the Delaware Issuer Notes offering is contingent upon the other. Accordingly, although this prospectus supplement includes discussion of the offerings of both 2015 Issuers, it is possible that the offering of one 2015 Issuer will proceed to completion while the offering of the other 2015 Issuer does not. While the information in the table below under Capitalization and elsewhere in this prospectus supplement assumes the substantially concurrent completion of both the Australian Issuer Notes and Delaware Issuer Notes offerings, there can be no assurance that the concurrent offerings of the 2015 Issuers will be completed in the manner and timing contemplated herein or at all. See Underwriting.
Guarantees	Payment of principal of, and interest and any Additional Amounts on, the Notes is irrevocably and unconditionally guaranteed by the Company.
Issue Price	2020 Notes: 99.716% of principal amount, plus accrued interest, if any, from May 5, 2015, to the issue date.

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2025 Notes: 99.075% of principal amount, plus accrued interest, if any, from May 5, 2015, to the issue date.

2045 Notes: 100.000% of principal amount, plus accrued interest, if any, from May 5, 2015, to the issue date.

Maturity Date

2020 Notes: May 5, 2020.

2025 Notes: May 5, 2025.

2045 Notes: May 5, 2045.

Interest Payment Dates

May 5 and November 5, commencing November 5, 2015.

Interest

The 2020 Notes will bear interest from May 5, 2015 at the rate of 2.625% per annum, payable semi-annually in arrears from November 5, 2015.

The 2025 Notes will bear interest from May 5, 2015 at the rate of 3.500% per annum, payable semi-annually in arrears from November 5, 2015.

The 2045 Notes will bear interest from May 5, 2015 at the rate of 4.200% per annum, payable semi-annually in arrears from November 5, 2015.

Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months.

Further Issues

The 2020 Notes, the 2025 Notes and the 2045 Notes will be issued in initial aggregate principal amounts of US\$1,500,000,000, US\$2,000,000,000 and US\$300,000,000, respectively. The Company and each 2015 Issuer may, however, from time to time, without the consent of the respective holders of a series of the Notes, create and issue, pursuant to the indentures, additional guaranteed notes, having the same terms and conditions under the indentures as the previously outstanding series of Notes in all respects, except for issue date, issue price, and amount of the first payment of interest thereon. Additional Notes issued may be consolidated with and form a single series with the previously outstanding Notes of the relevant series; provided, however, that no additional Notes will be issued under the same CUSIP, ISIN or other identifying number as the outstanding Notes of that series unless such additional Notes are fungible with such outstanding Notes for U.S. federal income tax purposes.

Ranking

The Australian Issuer Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the 2015 Australian

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Issuer ranking pari passu, without any preference or priority of payment among themselves, with all of its other unsecured and unsubordinated indebtedness (except obligations preferred by applicable law).

The Delaware Issuer Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the 2015 Delaware Issuer ranking pari passu, without any preference or priority of payment among themselves, with all of its other unsecured and unsubordinated indebtedness (except obligations preferred by applicable law).

The Guarantees will constitute direct, unconditional, unsubordinated and unsecured of the Company, ranking pari passu with all of its other unsecured and unsubordinated indebtedness (except obligations preferred by applicable law).

Certain Covenants

The Company has covenanted in the indentures, with certain exceptions, not to incur certain liens or consolidate, merge or sell its assets substantially as an entirety unless certain conditions are satisfied. The Notes and the indentures do not otherwise restrict or limit the ability of the Company to incur additional indebtedness by itself or its subsidiaries or its ability to enter into transactions with, or to pay dividends or make other payments to, affiliates. See Description of Debt Securities and Guarantees Certain Covenants in the accompanying prospectus.

Additional Amounts

In the event that Australian (in the case of the 2015 Australian Issuer), United States (in the case of the 2015 Delaware Issuer), Hong Kong or PRC taxes are payable in respect of payments pursuant to the Notes or the Guarantees, the Company or the applicable 2015 Issuer, as the case may be, will, subject to certain exceptions, pay such Additional Amounts under the Notes as will result, after deduction or withholding of such taxes, in the payment of the amounts that would have been payable in respect of the Notes had no deduction or withholding been required. See Description of Debt Securities and Guarantees Additional Amounts in the accompanying prospectus.

Optional Redemption

At any time, the Company or the 2015 Issuers may, at the Company's or the respective 2015 Issuer's option, redeem the Australian Issuer Notes or the Delaware Issuer Notes, as applicable, in whole or in part, at a redemption price equal to 100% of the principal amount of such series of Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date. See Description of Notes and Guarantees Optional Redemption in this prospectus supplement.

Optional Tax Redemption

Each series of Notes may be redeemed at the option of the 2015 Australian Issuer or the 2015 Delaware Issuer, as the case may be, in

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whole but not in part, at 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, in the event the Company or a 2015 Issuer becomes obligated to pay Additional Amounts in respect of the Notes or the Guarantees of that series as a result of certain changes in tax law. See Description of Debt Securities and Guarantees Optional Tax Redemption in the accompanying prospectus.

Use of Proceeds

The aggregate proceeds from this offering, after deducting underwriting commissions and estimated offering expenses payable by the 2015 Issuers and us, will be approximately US\$3,765.1 million. The 2015 Issuers will loan the proceeds of this offering to us or a company controlled by us. The proceeds will be used for general corporate purposes. See Use of Proceeds.

Governing Law

The Notes, the Guarantees and the indentures will be governed by, and construed in accordance with, the laws of the State of New York.

Denomination, Form and Registration

The Notes will be issued in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

Each series of the Notes will be represented by one or more global notes in fully registered form without interest coupons deposited with The Bank of New York Mellon as custodian for, and registered in the name of, Cede & Co., as nominee of The Depository Trust Company (DTC). Investors may elect to hold the interests in the global notes through any of DTC, Clearstream Banking, *société anonyme* (Clearstream, Luxembourg) or Euroclear Bank S.A./N.V. (Euroclear).

DTC will credit the account of each of its participants, including Euroclear and Clearstream, Luxembourg, with the principal amount of Notes being purchased by or through such participant. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream, Luxembourg.

Risk Factors

You should consider carefully all the information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, you should evaluate the specific factors set forth under the heading Risk Factors beginning on page S-13 of this prospectus supplement, as well as the other information contained or incorporated herein by reference, before deciding to invest in the Notes.

Listing

Application has been made to list each series of the Notes on the HKSE.

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Trustee, Registrar, Paying and Transfer Agent The Bank of New York Mellon.

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The following table sets forth our unaudited consolidated ratio of earnings to fixed charges for each of the periods indicated using financial information extracted, where applicable, from our audited consolidated financial statements. Our audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

	Year Ended December 31,				
	2010	2011	2012	2013	2014
Ratio of Earnings to Fixed Charges	106.97	58.51	49.76	22.87	20.14

Earnings included in the calculation of the ratio of earnings to fixed charges represent income before income taxes plus fixed charges, other than capitalized interest. Fixed charges include interest expense, including capitalized interest, amortization of debt issuance costs and a portion of rent expense representative of interest.

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CERTAIN FINANCIAL DATA

Recent Developments

We achieved a total net production of 118.3 million barrels of oil equivalent (BOE) for the first quarter of 2015, representing an increase of 9.4% year-over-year, mainly attributable to the production contribution from new projects that commenced production since 2014 offshore China.

For the first quarter of 2015, we made three new discoveries and nine successful appraisal wells in offshore China.

Our unaudited oil and gas sales revenue reached approximately RMB35.54 billion for the first quarter of 2015, representing an increase of 39.9% year-over-year, mainly due to the sharp decrease of international oil price. During the period, our average realized oil price decreased 49.0% year-over-year to US\$53.40 per barrel, which is in line with the trend of international oil price. Our average realized gas price was US\$6.68 per thousand cubic feet, representing an increase of 5.5% year-over-year, mainly due to the price hike with certain customers in China and higher realized gas prices of new gas fields.

For the first quarter of 2015, our capital expenditure for exploration, development and production reached approximately RMB15.94 billion, mainly because we proactively promote cost control and efficiency enhancement and cut our capital expenditures as a reaction to low oil price environment.

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The following table sets forth our net production data for the periods indicated:

	Three Months Ended March 31,	
	2014⁽¹⁾	2015⁽¹⁾
Crude Oil & Liquids (mmbbls) China		
Bohai	34.8	41.3
Western South China Sea	8.5	8.7
Eastern South China Sea	13.3	16.6
East China Sea	0.2	0.2
Subtotal	56.8	66.9
Overseas		
Asia	2.9	4.1
Oceania	0.3	0.1
Africa	7.2	7.5
North America (excluding Canada)	4.0	5.1
Canada	4.9	4.8
South America	2.1	2.2
Europe	9.7	9.0
Subtotal	31.1	32.8
Subtotal (mmbbls)	87.8	99.6
Natural Gas (bcf) China		
Bohai	13.0	12.3
Western South China Sea	31.6	27.0
Eastern South China Sea	13.6	16.0
East China Sea	2.7	4.5
Subtotal	60.9	59.8
Overseas		
Asia	11.8	11.1
Oceania	6.6	3.7
North America (excluding Canada)	9.7	11.3
Canada	11.7	7.2
South America	12.1	12.6
Europe	5.5	3.5
Subtotal	57.4	49.4
Subtotal (bcf)	118.3	109.2
Total (mm BOE)	108.1	118.3

Note:

(1) Including our interest in equity method investees, which was approximately 4.4 mmboe for the first quarter of 2015 and 4.2 mmboe for the first quarter of 2014.

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The following table sets forth our unaudited revenue and capital expenditure for the periods indicated:

	Three Months Ended March 31,			
	2014		2015	
	RMB	US\$(¹)	RMB	US\$(¹)
	(in millions)			
Sales Revenue				
Crude oil and liquids	55,051	9,000	31,578	5,144
Natural gas	4,102	671	3,961	645
Marketing revenue, net	560	92	459	75
Others	745	122	721	117
Total	60,458	9,885	36,719	5,981
Capital Expenditures				
Exploration	5,028	822	3,274	533
Development	12,046	1,969	10,985	1,790
Production	1,681	275	1,661	271
Others	160	26	19	3
Total	18,914	3,092	15,940	2,597

Note:

- (1) An exchange rate of US\$1 = RMB6.1384 has been used for the first quarter of 2015, and an exchange rate of US\$1 = RMB6.1170 has been used for the first quarter of 2014, where applicable. The usage of these exchange rates is for illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged or converted at the above rates or at any other rate at all.

Non-GAAP Financial Measures

We use EBITDA to provide additional information regarding our operating performance. EBITDA refers to our profit from operating activities before the following items: (i) depreciation, depletion and amortization and (ii) impairment and provision.

EBITDA is not a standard measure under International Financial Reporting Standards (IFRS), Hong Kong Financial Reporting Standards (HKFRS) or generally accepted accounting principles in the United States (U.S. GAAP). As the oil and gas industry is capital intensive, capital expenditure requirements may have a significant impact on the operating revenues of companies with similar operating results. Therefore, we believe the investor community commonly uses this type of financial measure to assess the operating performance of companies in our market sector.

As a measure of our operating performance, we believe that the most directly comparable IFRS and HKFRS measure to EBITDA is profit from operating activities. We operate in a capital-intensive industry. We use EBITDA in addition to profit from operating activities because profit from operating activities includes certain accounting items associated with capital expenditures, such as depreciation, depletion and amortization and impairment and provision. These accounting items may vary between companies depending on the method of accounting adopted by the company. By minimizing differences in capital expenditures and the associated depreciation, amortization and impairment expenses, EBITDA provides further information regarding our operating performance and an additional measure for comparing our operating performance with other companies' results. Funds depicted by this measure may not be available for debt service due to capital expenditure requirements and other commitments.

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The following table reconciles our profit from operating activities under IFRS and HKFRS to our definition of EBITDA for the periods indicated:

	Year Ended December 31,			
	2012 (RMB)	2013 (RMB)	2014 (RMB)	2014 (US\$) ⁽¹⁾
	(in millions)			
Profit from operating activities	87,141	78,503	80,915	13,041
Adjustments for:				
Depreciation, depletion and amortization	32,903	56,456	58,286	9,394
Impairment and provision	31	(45)	4,120	664
EBITDA	120,075	134,914	143,321	23,099

Note:

- (1) An exchange rate of US\$1 = RMB6.2046 has been used for the year ended December 31, 2014, where applicable. The usage of this exchange rate is for illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged or converted at the above rate or at any other rate at all.

You should not consider our definition of EBITDA in isolation or construe it as an alternative to profit from operating activities or as an indicator of operating performance or any other standard measure under IFRS or HKFRS. Our definition of EBITDA does not account for depreciation, depletion and amortization and impairment and provision. Our EBITDA measure as described above may not be comparable to similarly titled measures used by other companies.

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RISK FACTORS

In considering whether to purchase the Notes, you should carefully consider the risks described below in this prospectus supplement, in the accompanying prospectus and in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. If any of these risks actually occurs, our business, financial condition and results of operations could suffer, and you may lose all or part of your investment.

Risks Relating to the Notes and the Guarantees

Neither 2015 Issuer has any material assets and each 2015 Issuer relies on us to make payment under the Notes

Each 2015 Issuer was established specifically for the purpose of issuing indebtedness, including its respective Notes and will loan the proceeds from the issue of its Notes to us or to a company controlled by us. Neither 2015 Issuer has or will have any material assets other than amounts due to it from us in respect of its respective loan, and each 2015 Issuer's ability to make payments under its Notes will depend on its receipt of timely payments from us in respect of such loan.

The Notes and the Guarantees are unsecured obligations

As the Notes and the Guarantees are unsecured obligations, the repayment of the Notes may be compromised if:

we enter into bankruptcy, liquidation, reorganization or other winding-up proceedings;

there is a default in payment under our future secured indebtedness or other unsecured indebtedness; or

there is an acceleration of any of our indebtedness.

If any of these events were to occur, our assets may not be sufficient to make payments to the 2015 Issuers to pay amounts due on the Notes.

We may be unable to obtain and remit funds in foreign currencies

Our ability to satisfy our obligations to the 2015 Issuers or pursuant to the Guarantees depends in part upon the ability of our subsidiaries or affiliates in China to obtain and remit sufficient funds in foreign currencies to pay dividends to us and to repay intercompany loans. A significant portion of the revenues of our PRC subsidiaries are denominated in Renminbi. Our PRC subsidiaries must present certain documents to the State Administration of Foreign Exchange, its authorized branch or the designated foreign exchange bank, for approval before they can obtain and remit foreign currencies out of China (including, in the case of dividends, evidence that the relevant PRC taxes have been paid and, in the case of intercompany loans, evidence of the registration of the loan with the State Administration of Foreign Exchange).

Our credit ratings may not reflect all risks of your investments in the Notes

Our credit ratings are an assessment by rating agencies of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Notes. These credit ratings may not reflect the potential impact of risks relating to the structure or marketing of the Notes. Agency ratings are not a recommendation to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization. Each agency's rating should be evaluated independently of any other agency's rating.

The insolvency laws of Hong Kong and other local insolvency laws may differ from those of other jurisdictions

Because we are incorporated under the laws of Hong Kong, any insolvency proceeding relating to us would likely involve Hong Kong insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which you may be familiar.

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A trading market for the Notes may not develop

The Notes are a new issue of securities for which there is currently no trading market. Application has been made to the HKSE for listing of, and permission to deal in, the Notes by way of debt issued to professional investors only. We and the 2015 Issuers have been advised that the underwriters intend to make a market in the Notes, but the underwriters are not obligated to do so and may discontinue such market-making activity at any time without notice. We cannot predict whether an active trading market for the Notes will develop or be sustained.

Investment in the Notes may subject you to foreign exchange risks

The Notes are denominated and payable in U.S. dollars. If you measure your investment returns by reference to a currency other than U.S. dollars, an investment in the Notes entails foreign exchange related risks, including possible significant changes in the value of the U.S. dollar relative to the currency by reference to which you measure your investment returns, due to, among other things, economic, political and other factors over which we have no control. Depreciation of the U.S. dollar against such currency could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss when the return on the Notes is translated into such currency. In addition, there may be tax consequences for you as a result of any foreign exchange gains resulting from any investment in the Notes.

Each 2015 Issuer may redeem each series of its respective Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest in the event it is required to pay additional amounts in respect of PRC withholding tax in excess of 10% because it is treated as a PRC resident enterprise

In the event a 2015 Issuer is treated as a PRC resident enterprise under the PRC Enterprise Income Tax Law, it may be required to withhold PRC tax on interest payable to non-resident investors. As of the date of this prospectus supplement, the Company is treated as a PRC resident enterprise and is required to withhold PRC tax on interest payable to non-resident investors with respect to the Notes pursuant to the Guarantees. If a 2015 Issuer is required to withhold PRC tax from interest payments, or the Company is required to withhold PRC tax from payments it makes pursuant to the Guarantees, the 2015 Issuer or the Company will, subject to certain exceptions, be required to pay such additional amounts as will result in receipt by a holder of a Note of such amounts as would have been received by the holder had no such withholding been required. As described under Description of Debt Securities and Guarantees Optional Tax Redemption in the accompanying prospectus, in the event the Company or a 2015 Issuer is required to pay additional amounts as a result of certain changes in or interpretations of tax law (including any change or interpretation that results in it being required to withhold tax in excess of 10% on interest payments as a result of a 2015 Issuer being treated as a PRC resident enterprise or on payments under the Guarantees), the applicable 2015 Issuer may redeem each series of Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest.

Developments in other markets may adversely affect the market price of the Notes

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for Chinese securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including China. Since the subprime mortgage crisis in 2008, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Notes could be adversely affected.

Table of Contents***Interest Paid or Credited to Non-Arm's Length Non-Resident Persons on the Australian Issuer Notes is subject to Australian Withholding Tax***

According to section 128F(5) of the Australian Income Tax Assessment Act 1936, in order to benefit from the Australian interest withholding tax exemption provided in section 128F (the 128F exemption), any Offshore Associates (as discussed under the heading Taxation Australia in this prospectus supplement) of the 2015 Australian Issuer, other than an associate which is a dealer, manager or underwriter in relation to the placement of the Australian Issuer Notes, or a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme, must not acquire any Australian Issuer Notes or any interest in any Australian Issuer Notes in circumstances where, at the time of the issuance, the 2015 Australian Issuer knew, or had reasonable grounds to suspect, that the Australian Issuer Notes or an interest in the Australian Issuer Notes was being, or would be, acquired either directly or indirectly by an Offshore Associate of the 2015 Australian Issuer. The definition of Offshore Associate includes a person or entity that holds more than 50% of the voting shares of, or has sufficient influence over, the 2015 Australian Issuer, or any entity in which more than 50% of the voting shares are held by, or which is sufficiently influenced by, the 2015 Australian Issuer. The 2015 Australian Issuer is a wholly-owned subsidiary of the Company, which in turn, is majority held by China National Offshore Oil Corporation, a PRC state-owned enterprise. PRC state-owned enterprises generally include enterprises that are, directly or indirectly, owned, sponsored or invested in by the PRC central or local governmental bodies or entities designated by them to perform the functions of shareholders. By virtue of the extent of the PRC government's ownership and influence over them, many PRC state-owned enterprises might be considered Offshore Associates of one another, including the Company and the 2015 Australian Issuer. There is a risk that, because of the common ownership and influence by the PRC government over such entities, PRC state-owned enterprises, including PRC state-owned banks, may be treated as Offshore Associates of the 2015 Australian Issuer for purposes of the 128F exemption.

Failure to satisfy the requirement in section 128F(5) will cause the Australian Issuer Notes offering to fail the section 128F exemption, so that all payments of interest under the Australian Issuer Notes offering would not have the benefit of the section 128F exemption from Australian interest withholding tax. Consequently, Offshore Associates of the 2015 Australian Issuer must not acquire any Australian Issuer Notes or any interest in any Australian Issuer Notes.

If the requirement in section 128F(5) of the Australian Income Tax Assessment Act 1936 is satisfied, but an Offshore Associate were to later acquire any Australian Issuer Notes or any interest in any Australian Issuer Notes in the secondary market, interest paid or credited to an Offshore Associate of the 2015 Australian Issuer may not have the benefit of the section 128F exemption pursuant to section 128F(6) of the Australian Income Tax Assessment Act 1936, and may be subject to Australian withholding tax at a rate of 10%, unless the Offshore Associate receives the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme, or unless another exemption applies.

Offshore Associates of the 2015 Australian Issuer who later acquire any Australian Issuer Notes or any interest in any Australian Issuer Notes in the secondary market and who will not have the benefit of the 128F exemption, are not entitled to a gross-up in respect of any Australian withholding tax, and the 2015 Australian Issuer may recover from such non-residents any gross-up, withholding tax payments or other obligations (including associated applied interest and penalties to tax authorities) previously paid or then due under the Australian tax legislation to the extent such gross-up should not have been made (or other payments should have been withheld or are then due). Consequently, if such entities were to later acquire any Australian Issuer Notes or any interest in any Australian Issuer Notes in the secondary market, interest that is paid or credited to such PRC state-owned enterprises may be subject to Australian withholding tax unless another exemption applies, and will not be entitled to a gross-up in respect of such withholding tax.

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USE OF PROCEEDS

The aggregate proceeds from this offering, after deducting underwriting commissions and estimated offering expenses payable by the 2015 Issuers and us, are estimated to be approximately US\$3,765.1 million.

The 2015 Issuers will loan the proceeds of this offering to us or a company controlled by us. The proceeds will be used for general corporate purposes.

The foregoing represents our current intentions to use and allocate the proceeds of this offering based upon our present plans and business conditions. Our management, however, will have significant flexibility and discretion to apply the proceeds from the issuance of the Notes. If an unforeseen event occurs or business conditions change, we may use the proceeds from the issuance of the Notes differently than as described in this prospectus supplement.

In utilizing the proceeds from the issuance of the Notes, under PRC laws and regulations, we, as an offshore holding company, are permitted to provide funding to our PRC subsidiaries and consolidated affiliates only through loans or capital contributions and to other entities only through loans. Subject to satisfaction of applicable government registration and approval requirements, we may extend inter-company loans to our PRC subsidiaries and consolidated affiliates or make additional capital contributions to our PRC subsidiaries and consolidated affiliates to fund their capital expenditures or working capital. We cannot assure you that we will be able to obtain these government registrations or approvals on a timely basis, if at all.

Table of Contents**EXCHANGE RATE INFORMATION****China**

The following table sets forth for the periods indicated, certain information concerning the exchange rates between Renminbi and U.S. dollars. The exchange rates reflect the exchange rates as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System of the United States.

Period	End	Noon Buying Rate (RMB per US\$1.00)		
		Average ⁽¹⁾	High	Low
2010	6.6000	6.7603	6.8330	6.6000
2011	6.2939	6.4475	6.6364	6.2939
2012	6.2301	6.2990	6.3879	6.2221
2013	6.0537	6.1412	6.2438	6.0537
2014	6.2046	6.1704	6.2591	6.0402
October 2014	6.1124		6.1385	6.1107
November 2014	6.1429		6.1429	6.1117
December 2014	6.2046		6.2256	6.1490
January 2015	6.2495		6.2535	6.1870
February 2015	6.2695		6.2695	6.2399
March 2015	6.1990		6.2741	6.1955
April (through April 17, 2015)	6.1976		6.2152	6.1930

(1) Averages for annual periods are calculated by averaging month-end rates for the relevant year. Monthly averages are calculated by averaging daily rates for the relevant month.

Hong Kong

The following table sets forth, for the periods indicated, certain information concerning the exchange rates between Hong Kong dollars and U.S. dollars. The exchange rates reflect the exchange rates as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System of the United States.

Period	End	Noon Buying Rate (HK\$ per US\$1.00)		
		Average ⁽¹⁾	High	Low
2010	7.7810	7.7692	7.8040	7.7501
2011	7.7663	7.7793	7.8087	7.7634
2012	7.7507	7.7556	7.7699	7.7493
2013	7.7539	7.7565	7.7654	7.7503
2014	7.7531	7.7554	7.7669	7.7495
October 2014	7.7551		7.7645	7.7541
November 2014	7.7548		7.7572	7.7519
December 2014	7.7531		7.7616	7.7509
January 2015	7.7529		7.7563	7.7508
February 2015	7.7559		7.7584	7.7517
March 2015	7.7540		7.7686	7.7534
April (through April 17, 2015)	7.7510		7.7525	7.7499

(1) Averages for annual periods are calculated by averaging month-end rates for the relevant year. Monthly averages are calculated by averaging daily rates for the relevant month.

Table of Contents**CAPITALIZATION**

The following table sets forth our consolidated capitalization under IFRS as of December 31, 2014:

on an actual basis; and

on an as adjusted basis to give effect to the receipt and application of the US\$3,765.1 million estimated net proceeds from this offering. See Use of Proceeds.

This table should be read in conjunction with, and is qualified in its entirety by reference to, our consolidated financial statements and the notes thereto incorporated by reference into this prospectus supplement.

	As of December 31, 2014			
	Actual		As Adjusted ⁽¹⁾	
	RMB	US\$ ⁽³⁾	RMB	US\$ ⁽³⁾
	(in Millions)			
Cash and cash equivalents	14,918	2,404	38,278	6,169
Time deposits with maturity over three months	22,835	3,680	22,835	3,680
Current loans and borrowings:				
Short-term loans and borrowings	30,250	&nbs		