



www.pehi.com
Listed on TSX Venture (PEH.V)
加拿大上市公司

超
準
能
源

Not for distribution to the U.S. news wire services, or dissemination in the United States.

NEWS RELEASE
CNOOC AND CCL EXERCISE SET-OFF

Hong Kong, June 30, 2020 - Primeline Energy Holdings Inc. (“Primeline” or the “Company”) announces that it has received notification from CNOOC that CNOOC and China National Offshore Oil Corporation (“CCL”) will set off the amount due to them from Primeline under the award in the arbitration between CNOOC and CCL announced in Primeline’s press release of June 15, 2020 of approximately U.S. \$30 million, plus interest, against amounts due to Primeline from sales under Petroleum Contract 25/34. CNOOC and CCL are also setting off another amount which Primeline disputes. Regardless of the dispute, although Petroleum Contract 25/34, which is Primeline’s only source of revenue, will remain in effect for the time being, Primeline will cease to receive revenue thereunder.

Primeline has been making only partial payments on its debt due to the syndicate of banks which provided finance for Primeline’s share of the cost of development of the LS 36-1 Gas Field under Petroleum Contract 25/34, and is in default under the loan. Primeline will now be unable to make any payments to service the debt. The banks hold security over Primeline’s interest in the LS 36-1 Gas Field. Primeline has not yet received any communication from the banks as to how they wish to proceed.

About Primeline Energy Holdings Inc.

Primeline is an exploration and production company focusing exclusively on China natural resources under petroleum contracts with CNOOC in the East China Sea. The LS36-1 Gas Field has been in production since July 2014. Shares of Primeline are listed for trading on the TSX Venture Exchange under the symbol PEH.

ON BEHALF OF PRIMELINE ENERGY HOLDINGS INC.

Signed “Andrew Biggs”
Chief Executive Officer

London England
Fourteen South Audley Street
London W1K 1HN
England UK
Tel +44 20 7499 8888
Fax +44 56 0372 5179

Hong Kong China
Hong Kong Parkview
88 Tai Tam Reservoir Road
Hong Kong China
中國香港大潭水塘道88號 陽明山莊
Tel 電話 +852 2810 5511
Fax 圖文傳真 +852 2810 0667

Shanghai China
Suite 1209, Tower 3, Changning Raffles City
1193 Changning Road
Shanghai 200051 China
中國上海長寧路1193號 長寧來福士廣場
3號樓1209室 郵編 200051
Tel 電話 +86 21 6468 6462
Fax 傳真 +86 21 2287 8967



Contact:

Primeline Energy Holding Inc.

Andrew Biggs, CEO

PH: +44 207.499.8888

Fax: +44 560 372 5179

Toll Free: 1.877.818.0688

E-Mail: IR@pehi.com

Please visit the Company's website at www.primelineenergy.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.