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Corporate Overview
International Standard Resources ("ISR" or "the Group") is mainly engaged in coalbed methane ("CBM") exploration and production in Anhui, China. The Company owns the largest contract areas amount to 567.843 km², and is the only producer in the region. The prime location enables ISR to benefit from the strong growth of gas demand (both industrial and residential) in the Eastern China. ISR aims to be a leading CBM producer in Eastern China.
## Milestones

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>Texaco injected US20mn capital for the exploration of CBM reserve in Anhui Province</td>
</tr>
<tr>
<td>1998</td>
<td>Premier Li Peng and Vice Premier Zou Jiahua attended the signing ceremony with Texaco at the Great Hall of the People in Beijing</td>
</tr>
<tr>
<td>2001-2002</td>
<td>Chevron acquired Texaco and exited the Project</td>
</tr>
<tr>
<td>2007</td>
<td>Can-Elite Energy entered into a Production Sharing Contract (“PSC”) with China United, and the contract period is from 2008-2038</td>
</tr>
<tr>
<td>2008</td>
<td>ISR acquired 100% stake of Can-Elite Energy and engaged in CBM business</td>
</tr>
</tbody>
</table>
| 2014 | Luling Block received Certificate of CBM reserves from the Ministry of Land and Resources of the PRC  
| | Awarded “The Best Investment Value Award” at The China Securities Golden Bauhinia Awards Ceremony |
| 2015 | The Group entered into 3rd Modification Agreement with China United  
| | Signed cooperation agreements with Suzhou Municipal People’s Government |
| 2016 | The Group entered into a strategic cooperation agreement with Coal Geology Bureau of Henan Province, Henan Provincial Coal Seam Gas Development and Utilisation Co. Ltd. |
Our Contract Areas

ISR is well positioned to benefit from the strong growth of natural gas demand in Eastern China.

CAGR of gas demand (2012-2020) in Shanghai and Jiangsu is forecasted to be at 7.2%.

CNG can be delivered by traditional tank trucks to an area up to 800 km radius.

Selected trucking route distance from Contract Area:

- Xuzhou (徐州)  80 km
- Suqian (宿遷)  190 km
- Hefei (合肥)   240 km
- Nanjing (南京) 290 km
- Shanghai (上海) 580 km
## Our Reserves

<table>
<thead>
<tr>
<th>Area A</th>
<th></th>
<th>Area B</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Proved coalbed methane reserves</td>
<td></td>
<td>At exploration stage</td>
</tr>
<tr>
<td>Block</td>
<td>Luling</td>
<td>Luling</td>
<td>Sunan</td>
</tr>
<tr>
<td>Area (km²)</td>
<td>23.686</td>
<td>187.355</td>
<td>356.802*</td>
</tr>
<tr>
<td>Proven reserves (m³)</td>
<td>3.158 bn</td>
<td>Continuing exploration</td>
<td>Gathering evaluation*</td>
</tr>
<tr>
<td>Commercial recoverable reserves (m³)</td>
<td>1.494 bn</td>
<td>Gathering information</td>
<td>Gathering information</td>
</tr>
</tbody>
</table>

*Remark

Gathering evaluation report for 50 km²
Continuing exploration for 306.802 km²

Total: 567.843 km²
## Potential Customers: Distributors

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anhui Province Natural Gas Development Company Ltd.</td>
<td></td>
</tr>
<tr>
<td>China Resources Gas Group Limited</td>
<td></td>
</tr>
<tr>
<td>China Gas Holding Limited</td>
<td></td>
</tr>
</tbody>
</table>

- We have reached intent of cooperation with target customers
<table>
<thead>
<tr>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Champion Building Materials Company Limited</td>
</tr>
<tr>
<td>Huaibei Mining Group Company</td>
</tr>
<tr>
<td>Suzhou Hengshun Gongmao Company Limited</td>
</tr>
<tr>
<td>AnHui Yuan Fang Steel Structure Limited</td>
</tr>
<tr>
<td>Huaian Shipyard Company</td>
</tr>
<tr>
<td>Suzhou Axle Company</td>
</tr>
</tbody>
</table>

- We have reached intent of cooperation with target customers
Seasoned Management Team

Albert Saychuan Cheok
Chairman of the Board
- Chairman and INED in various HKEx and SGX listed companies
- Member of the Board of Governors of the Malaysian Institute of Corporate Governance in Malaysia
- Former executive director in charge of Banking Supervision at the Hong Kong Monetary Authority, and former Deputy Commissioner of Banking of Hong Kong
- Former Chairman of Bangkok Bank Berhad in Malaysia

Du Ming
Chief Technical Officer
- Worked at China United, China National Petroleum Corp. and Sinopec Shengli Oilfield
- Working in the oil and natural gas industry for more than 45 years

Lyu Guoping
Chief Executive Officer
- 25+ years of experience in geology and mineral exploration, gems and jewellery, journalism and natural resources management in both private and public sectors in China
- Supervisor of Shenzhen Clouds Energy Technology Ltd
- Former DGM of China Resources Coal Holdings Co., Ltd
- Bachelor’s degree in Geology at China University of Geosciences (Wuhan); PhD in economics at Nankai University

Liu Shaobin
Technical Consultant
- Honorary Director of China Petroleum Enterprise Association
- Former Professor at China University of Petroleum in Beijing and Huabei Oilfield Finance School
Competitive Strength

- Located in Suzhou, Anhui, ISR is poised to benefit from the strong gas demand in Eastern China
- Domestic gas production in China has lagged consumption since 2007

- Local gas prices are less fluctuated and remain stable due to strong demand as compared with other regions
- Unconventional gas, including CBM, is not subject to government price regulation

- Backed by local government and central government policies, we are in a favorable position in development in terms of costs
- Geologic advantage of Anhui, as compared with Shanxi, enables low cost production then peers

- Flat terrain offers favorable geology condition for production
- A team of expertise in geology with sound track records

Keys to commercial success of CBM projects

- Favorable gas markets
- Favorable sales prices
- Low capital and operating costs
- Favorable geologic conditions
Latest Development

- Reached strategic cooperation agreement with Suzhou Municipal People’s Government.
- Entered into the Investment Cooperation Agreement with Suzhou DRC, Suzhou DRC agreed to support the Group to:
  - construct a primary and numbers of ancillary gas filling stations in Suzhou
  - assist in choosing location and acquiring licenses for coalbed gas processing
- Luling Block with an area of 23,686 km² will start production with effect from the day the ODP approved by government, ODP application is expected to be submitted in 2017.

- Development of the Sunan and part of Luling Block, with an area of 544.157 km², is expected to be started in 2017:
  - 9 newly installed exploration wells finished fracturing operation and started process of drainage and collection, of which 8 wells yielded gas successfully
  - 2D seismic survey carried out across an area of 110 km² was completed and report was obtained
  - Deep drilling of parametric well is expected to be completed by the end of 2016

- Entered “Strategic Cooperation Agreement Between International Standard Resources Holdings Limited (0091.HK), Coal Geology Bureau of Henan Province, Henan Provincial Coal Seam Gas Development and Utilisation Co. Ltd.”, in searching of:
  - new CBM collaborative blocks to explore and develop, as well as assets restructuring, investments and financing
Coalbed Methane Business
What is Coalbed Methane?

Coalbed methane (CBM or coal-bed methane), coalbed gas, coal seam gas (CSG), or coal-mine methane (CMM)

• a form of natural gas extracted from coalbeds, similar to other sources of natural gas
• called ‘sweet gas’ because of its lack of hydrogen sulfide, considered to be more environmental friendly than oil, coal or even conventional natural gas
• a major source of unconventional gas globally
• in a near-liquid state, lining the inside of pores within the coal
• open fractures in the coal can also contain free gas or can be saturated with water

Source: US DOE
CBM Distribution Channels and End Users

Source: SIA Energy
Industry Overview
CBM Industry in China

China is in a relatively early stage of developing its CBM resources compared to leading CBM-producing countries including North America and Australia.

Backed by the favorable government policies, CBM industry in China has a great growth potential.

- Market accessibility of CBM is boosted by extensive pipeline build-out projects across the country.

Historically, the wellhead prices realized by CBM producers on average have been higher than for conventional domestically produced gas but lower than import gas prices.

Government Supports

Policies Supporting exploitation of CBM
The Government Work Report, Mar 2014
“Strengthen exploration, exploitation and utilization of natural gas, coal seam gas (CBM) and shale gas”

Production Subsidies
Subsidies were raised from RMB 0.2/m³ to 0.3/m³ in FEB 2016. It is widely expected to be raised further to RMB 0.40/m³ - 0.60/m³ pending final approval by NDRC.

“The need to vigorously develop shale gas and CBM”

The 13th Five-Year Plan, 2016-2020
“Promote clean production, setting up green and low-carbon industry systems”

“The share of natural gas is to rise to above 10%, while that of coal will be reduced below 62%.”

Air Pollution Prevention and Control Action Plan, 2013
“To accelerate the implementation of replacing coal by natural gas project”
Demand vs Supply

Gas Demand by Region


Source: SIA Energy, National Bureau of Statistics of PRC
Demand of Gas is on an Upward Trend

Shares of Primary Energy in China

Imports of Gas as Share of Consumption

CBM vs Conventional vs Shale Gas

Remark: This only indicates visually the depth of various gas located. It should not be relied upon to derive exact thickness or deepness of gas at specific locations.

Source: CBM Asia
<table>
<thead>
<tr>
<th><strong>Stock code</strong></th>
<th>91</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reuter</td>
<td>0091.Hk</td>
</tr>
<tr>
<td>Bloomberg</td>
<td>91:hk</td>
</tr>
<tr>
<td><strong>Financial year end</strong></td>
<td>31 December</td>
</tr>
<tr>
<td><strong>Issued shares</strong></td>
<td>6,188,312,369 (as of 30 Nov 2016)</td>
</tr>
<tr>
<td><strong>Major shareholder</strong></td>
<td>New Alexander Limited (CN Holder) Woode Investment Limited</td>
</tr>
</tbody>
</table>

(Latest update: 30 Nov 2016)
Contact Information

Investor Relations Department

<table>
<thead>
<tr>
<th>Tel no.</th>
<th>(852) 2802 0006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fax no.</td>
<td>(852) 2802 0368</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:ir@isrhl.com">ir@isrhl.com</a></td>
</tr>
</tbody>
</table>
| Address      | Unit E, 29/F, Tower B, Billion Centre  
               1 Wang Kwong Road,  
               Kowloon Bay, Hong Kong |
| Company website | www.intl-standardresources.com |

YouTube

Videos of road show and on-site contract areas are available on our YouTube Channel  
http://www.youtube.com/ISRHL