

【For Immediate Release】



Making Full Entry into Pressure Pumping Services Market

(Hong Kong, 28 November 2011) **Anton Oilfield Services Group** ("Antonoil" or the "Group", stock code: 3337HK), the leading independent oilfield services provider in China, is delighted to announce that Antonoil will make a full entry into China's burgeoning pressure pumping market. The Group has placed an order for 10 pressure pumping trucks and ancillary equipments from a professional domestic manufacturer to form a service capacity of 20,000 hydraulic horsepower ("HHP"). Combined with Antonoil's leadership position and established expertise in multistage fracking to develop both conventional and unconventional gas in China, the Group is well poised to tap into the growing demands for pressure pumping services in China particularly in fracking.

Huge Potentials in China's Pressure Pumping Market for Frac Jobs

Pressure pumping services is the second largest oilfield service market in the world, estimated to be worth US\$31 billion in 2011, growing at approximately 20% from 2010. The main revenue contributor came from the frac market, with fracturing as one of the most widely applied stimulation techniques to accelerate a well's production and maximize that production. The US, for example, spent over US\$13 billion and will spend more to perform frac jobs for both vertical and horizontal wells, with pressure pumping equipments delivering 10-11 million HHP capacity.

Frac jobs started to gain popularity in recent years in China and, based on the Group's estimates, the country is supplying only approximately 1 million HHP capacity. As a result, China's frac market is facing a shortage of supply of both horsepower capacity and experienced service providers to match the growing demands.

Antonoil's Full Service Capacity

Antonoil pioneered the use of multistage fracking techniques in China, and is a market leader in this technology. Antonoil already possesses a team of technical experts with firsthand experiences in designing job solutions and performing fracking operations by pressure pumping for a variety of complex natural gas wells in China, including tight gas and shale gas horizontal wells.

In September 2011, Antonoil placed an order for a fleet of 10 pressure pumping trucks, each with a capacity of 2,000 HHP, from a professional domestic manufacturer with mature pressure pumping truck-making technologies. The fleet will supply the Group with a total of 20,000 HHP capacity in the first phase. In the meantime, the Group is also building its service capacity to supply ceramic proppants, tools and other chemicals to provide an integrated service for the fracking technologies. As the trucks are delivered by Q3 2012, the Group will be among the few to have the full range of professional staff, equipments, materials, and technical capabilities necessary for undertaking an extensive array of frac jobs in China.

Benefits of Entering the Frac Market

Considering the growing intensity of natural gas E&P activities and the growing importance of frac jobs to maximize production in both vertical and horizontal natural gas wells, the Group is of the view that China's frac market will gradually follow the US growth pace. With Antonoil's accumulated experiences in the high-end frac market, the addition of full service capacity will strengthen Antonoil's competitive advantages to win more market share of the general frac market. It is believed that the frac market will provide a new revenue driver for Antonoil. In the meantime, the Group has no short-term capital expenditure requirements for the order of the trucks, given the terms of payment reached with the manufacturer.

The Group will continually evaluate the strategy and build the talents reserves, and, at the appropriate time, the Group will expand its fleet to 40,000 HHP capacity to capture more share in this growing market.

About Anton Oilfield Services Group

Anton Oilfield Services Group (HKEx stock code: 3337) is a leading independent oilfield services provider specializing in high-end oil and gas field development technical services. Its services and solutions cut across the well completion, down-hole operations, and drilling technology services during the exploration and production process. Its fast growth benefits from the expanding natural gas development in China and the Group's increasing presence in the overseas markets. To realize its strategic objective as a world-leading oilfield services provider with a solid footprint in China, Antonoil is committed to continuously strengthening its R&D capabilities and adding its talents reserves to its 1,000+ staff.

Antonoil is headquartered in Beijing with over 14 sales offices and six operations bases across China's onshore basins. The Group also has an international headquarters in Dubai with an extensive network across the Middle East, Central Asia, Africa, and Americas.

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