

[For Immediate Release]



Reservoir Production Management Service of Antonoil Enters Implementation Stage

Hong Kong, June 10, 2014 - **Anton Oilfield Services Group** ("Antonoil" or the "Group", HKEx stock code: 3337), the leading independent oilfield services provider in China, is pleased to announce that the Group officially spudded a well in its reservoir production management project on June 9, 2014, representing that Reservoir Production Management Service of the Group has entered the implementation stage. Since the beginning of this year, the Group has secured two reservoir production management projects, one for a shale gas well in Hubei and another for a tight oil well in Subei Basin. The contract model entails the provision of end-to-end management of the project and the undertaking of limited initial production risks, to be rewarded with basic service fees and performance incentives as the production reaches initial target.

Antonoil's Reservoir Production Management Service integrates its reservoir knowledge and risk control capabilities from the expertise of the Group's reservoir geologists and engineering management capacity to render comprehensive management to clients' projects to achieve certain rates of initial production. Unlike integrated project management (IPM) services, which focus on engineering integration services and do not bear any production risks, Reservoir Production Management Service attains economic incentives based on the risks undertaken to help clients achieve production. Antonoil has started to establish this product line since 2013. In doing so, the Group has been dedicated to attracting reservoir geology talents, leveraging the Reservoir Geology Research Institute and mobilizing the Group's other product lines to support the development of the service. As a result, Antonoil's Reservoir Production Management Service has been fairly compelling and competitive since its inception.

The demand for Reservoir Production Management Service arises when clients seek to reduce their engineering technical risks due to their limited engineering expertise, and technical service companies can address such risks in great confidence because of its deep research and understanding of the target reservoir and engineering technical capabilities. By tying clients' project investment with output, the product line not only lowers clients' engineering technical risks but also makes it easier for them to manage projects. In low-efficiency projects or block projects, when clients are constrained by their limited engineering technical capabilities or economic scale, they can use this model to incentivize oilfield service providers, lower their own risks and effectively encourage service providers to lift up service quality. Therefore, this model has gradually gained wider adoption over

recent years.

The Group believes Reservoir Production Management Service is a fit-for-purpose solution and has a rather extensive market in the development of unconventional resources in China, especially as private capital is entering oil and gas development areas. It also finds good prospect in some overseas areas, where oil companies seek to lower their engineering technical risks and encourage oilfield services providers to increase their investment in technologies.

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About Anton Oilfield Services Group

Anton Oilfield Services Group (HKEx stock code: 3337) is a leading independent integrated oilfield services provider. The Group provides products and services for the entire process of oil and gas development and production, including reservoir management, drilling technology, well completion, down-hole operations, oil production as well as tubular service. With its comprehensive product lines and integrated service capacity, the Group is empowered to help oil companies solve their challenges of increasing production, improving drilling efficiency, lowering costs and optimizing waste management. Its fast growth benefits from the accelerating development of natural gas in China and the Group's increased presence in the overseas markets. The Group's strategic objective is to become a leading global oilfield services provider with a solid foothold in China.

The Group is headquartered in Beijing and has established an international network across China and overseas markets. In China, the markets cover the Tarim area, Erdos area, Southwest area and other areas of China, whereas, the overseas markets include Iraq and other Middle East market, Central Asia and Africa market and the Americas market. Antonoil is the best independent Chinese oilfield services partner, the best Chinese partner worldwide.

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