

[For Immediate Release]



**Anton Oilfield Wins Additional Batch Order for  
Oil-based Drilling Fluid Service**  
*Well-Developed Service with Sustainable and Stable Growth Prospects*

(Hong Kong, December 16, 2012) **Anton Oilfield Services Group** ("Anton Oilfield" or the "Group", HKEx stock code: 3337), the leading independent oilfield services provider in China, is pleased to announce that Anton Oilfield Services (Group) Limited ("Anton Oil"), a wholly-owned subsidiary of the Group, has, upon winning a tender, signed a contract to provide oil-based drilling fluid services for five ultra-high pressure and ultra-high temperature conventional natural gas wells in the Tarim Basin operated by PetroChina Co. ("PetroChina"). Pursuant to the contract, the average contract value for each job stands at approximately RMB 9 million.

The successful tender marks the second awarding of such contract following the Group's announcement made on July 16, 2012 of winning 8-10 jobs of oil-based drilling fluid service in the same region, and the terms remained broadly identical. The jobs that have been completed by the Group to date generated excellent outcome evidenced by the noticeably reduced complexity in downhole operations, shortened drilling lead time and additional cost savings for the customer. The Group's oil-based drilling fluid service is therefore highly regarded by the client and helped lay the foundation for mass-scale application of such technology in the Tarim Basin.

**Effective Technical Solution to Fulfill Clients' Strategic Objectives in Tarim**

According to a report released by the news center of PetroChina's parent company, China National Petroleum Corp. (CNPC), on May 10, 2012, PetroChina plans to increase oil and gas production at Tarim by approximately 50 percent to 30 million tons of oil equivalents in the coming three years. The geological conditions for resource development in the Tarim Basin region are extremely complicated, and the ultra-high pressure and ultra-high temperature wells in the block pose as a world challenge in drilling engineering. As a widely-adopted drilling technology overseas, oil-based drilling fluid service has distinct advantages particularly in the resistance to high temperature, ability to counter contamination and effectiveness of shortening the drilling lead time. CNPC's news center posted another report on its website on July 5, 2012, saying that the particular drilling requirements associated with the ultra-high pressure and ultra-high temperature wells and the pressing need of output expansion make Tarim one of the major target regions in China where oil-based drilling fluid service is applied. Therefore, the competitive technique fits well with the customer's requirements for strategic development in this region, and the demand for this service is subsequently expected to increase vigorously.

**Major Player in Market with Robust Momentum**

The Group views oil-based drilling fluid service as an effective technical support to the exploration and development activities taking place in the Tarim Basin, boding vast market potential. As such, the

Group started promoting oil-based drilling fluid service in the region this year, applying the technical service to a limited number of wells on a trial basis, and in the meantime rapidly constructed an oil-based drilling fluid recycling plant required by the application of such technology. The Group subsequently won a tender to provide batch order oil-based drilling fluid service to 8-10 wells in the Tarim Basin. The jobs that have been completed by the Group to date were highly regarded by the customer, having generated excellent outcome evidenced by noticeable enhancement in operational performance, so the customer awarded a second batch order to the Group, proving that the oil-based drilling fluid service introduced by the Group this year has become a well-established business segment with stable and sustainable growth outlook. That also reinforces the Group's market position in this region, reassuring a long-term development of the Group's oil-based drilling fluid service business in the Tarim Basin. Owing to the particularly complicated geological conditions in the Tarim Basin, oil-based drilling fluid service applied in this region represents the top-notch technical standard of such service adopted nation-wide. The success experience and service ability of applying this technology accumulated by the Group in the Tarim Basin provides a concrete foundation for the proliferation of the Group's such service into an even broader market in other regions.

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#### **About Anton Oilfield Services Group**

Anton Oilfield Services Group (HKEx stock code: 3337) is a leading independent oilfield services provider offering one-stop oil and gas field technical development services to oil companies. Its services and solutions span across the drilling technology, well completion, down-hole operation, and oil production phases in the development cycle. Its fast growth benefits from the accelerated development of natural gas in China and the Group's increased presence in the overseas markets. At the same time, Anton Oilfield is committed to continuously strengthening its R&D capabilities and making additions to its talent reserves. The Group's strategic objective is to become a global oilfield services provider with a solid foothold in China.

Anton Oilfield is headquartered in Beijing with sales offices and operations bases across China's major onshore oil and natural gas 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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