



New Times Energy Enters into the EOR Business in PetroChina's Liaohe Oilfield

(Hong Kong, 26 December 2012) – New Times Energy Corporation Limited (“New Times Energy” or “the Company”, together with its subsidiaries, the “Group”, HKSE stock code: 166) is pleased to announce that it has entered into a Memorandum of Understanding (the “MOU”) on 24 December 2012 to acquire 10% of the entire issued share capital of Rich Joint Group Limited (“Rich Joint”) at a total consideration of approximately HK\$142 million.

SynPetro Engineering Technology Company Limited (“SynPetro”) is a wholly owned subsidiary of Rich Joint and owns various self-developed specialized equipments focused on EOR (Enhanced Oil Recovery) Operations. Its core business focuses on providing EOR technologies for wells with low production performance and to sell extracted oil at contract price to Liaohe Oilfield. SynPetro has currently obtained related service contracts from Liaohe Oilfield.

Liaohe Oilfield, a state-owned enterprise, is engaged in the exploitation, development and sales of oil and gas. It is the seventh largest oil field in China and its current annual crude oil production amounts to over 10 million tonnes, while natural gas production amounts to 1.7 billion cubic meters. With decades of history in the exploitation business, Liaohe Oilfield currently focuses on the development of new wells, therefore various shut-in wells exists due to low production efficiency. With its advanced technology in enhancing oil extraction, in addition to its effort and trial for more than 2 years, SynPetro has successfully entered into service contracts with Liaohe Oilfield and expects to accelerate production in the near future. In addition, SynPetro has committed to a 2 years profit guarantee which will provide steady income streams to the Group in the next 2 years.

The total consideration will be settled by cash and issue of convertible bond. Among which, HK\$20 million will be paid by cash, while the remaining HK\$122 million will be settled by the issue of convertible bond. In addition, according to the MOU, the Vendor is ensured to a profit guarantee which the audited consolidated profit before taxation and extraordinary items of Rich Joint for each of 2 years ending 31 December 2013 and 31 December 2014 will not be less than RMB125 million.

Commenting on the MOU, **Mr. Stewart Cheng, Chairman and Executive Director of New Times Energy**, said, “The engagement in EOR upstream business has marked a significant development for New Times Energy in 2012. This acquisition illustrates that privately owned enterprises also have the opportunities to participate in energy exploitation business led by state-owned enterprises. With such technologies to enhance oil extraction, New Times Energy has officially entered into the EOR upstream oil business in China. The Group will effectively utilize SynPetro’s well-built R&D Team, actively seek for alternative technologies applicable to the oilfield, and will promote and apply related technologies to other oilfield projects. New Times Energy believes that the EOR business will bring definite income to the Group next year and will gradually become one of the Group’s major income sources.”

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About New Times Energy Corporation Limited

New Times Energy Corporation Limited (HKSE stock code: 166) is an integrated natural resources company engaged in the acquisition, development and operation of oil & gas projects in Argentina, the USA and China. The Group's upstream oil & gas projects are located in geologically favorable regions in the Noroeste basin in the province of Salta, Formosa and Jujuy, Argentina and in the states of Louisiana, Utah and Alaska, the USA. The Group is also engaged in downstream LNG projects in China including LNG gas stations, gasification of industrial parks and rural modernization projects, etc. The Group will continue to enrich to its oil & gas portfolio through strategic mergers and acquisitions and actively look for opportunities to broaden the Group's income streams, aiming to deliver significant growth in cash flow and reserves to its shareholders.

Media enquiries, please contact:

Stimulus Investor Relations Ltd.

Ms. Casey Tang / Ms. Joanna Wong

Tel: +852 9200 3513 / +852 9661 9900

Email: casey@stimulus-ir.com / joanna@stimulus-ir.com