

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中油燃氣集團有限公司*

CHINA OIL AND GAS GROUP LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 603)

PROPOSED CHANGE OF AUDITOR

The board of Directors (the “Board”) of China Oil And Gas Group Limited (the “Company”) announces that Ting Ho Kwan & Chan (“THKC”) resigned as auditor of the Company with effect from 25 May 2011. The Board proposes to appoint PricewaterhouseCoopers as auditor of the Company to fill the vacancy arising from the resignation of THKC and to hold office until the conclusion of the next annual general meeting of the Company, subject to the appointment being approved by the shareholders of the Company at a special general meeting of the Company (SGM”) to be convened pursuant to the Bye-Laws of the Company, as the Company wants to obtain better international support and more auxiliary services to the Company and its subsidiaries (together, the “Group”) to cope with its future business development.

THKC confirmed that there were no circumstances connected with its resignation which it considered should be brought to the attention of the shareholders of the Company.

Both the Board and the Audit Committee of the Company confirmed that there was no disagreement between the Company and THKC, there were no circumstances connected with THKC’s resignation which the Board and the Audit Committee of the Company considered should be brought to the attention of the shareholders of the Company.

A circular containing details of the proposed change of auditor of the Company and a notice of the SGM will be despatched to the shareholders of the Company in due course.

The Board would like to take this opportunity to thank THKC for its services and support in the past.

By Order of the Board
China Oil And Gas Group Limited
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 25 May 2011

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Xu Tie-liang (Chairman and Chief Executive Officer), Mr. Zhu Yuan, Ms. Guan Yijun and Mr. Cheung Shing; and three independent non-executive Directors, namely Mr. Li Yunlong, Mr. Shi Xun-zhi and Mr. Wang Guangtian.

** For identification purpose only*