中國油氣控股有限公司
SINO OIL AND GAS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 702)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that based on information currently available to the Directors, it is expected that the Group would record a net profit for the six months ended 30 June 2014 as compared to a net loss for the corresponding period in 2013.

The information contained in this announcement can only be treated as a preliminary assessment by the Board based on information currently available to the Directors and is not based on any figures or information that has been audited or reviewed by the auditor of the Company.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Sino Oil and Gas Holdings Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders'") and potential investors that based on information currently available to the directors of the Company (the "Directors"), it is expected that the Group would record a net profit for the six months ended 30 June 2014 (the "Reporting Period") as compared to a net loss for the corresponding period in 2013. This is mainly attributable to the increase in other revenue generated from the coalbed methane operation, which comprises of sale of coalbed methane and related regular government subsidy based on sales volume, by approximately 110% compared with that of the corresponding period in 2013 (2013: HK$18,300,000).

The information contained in this announcement can only be treated as a preliminary assessment by the Board based on information currently available to the Directors and is not based on any figures or information that has been audited or reviewed by the auditor of the Company. The Company is still in the process of preparing the interim results of the Group for the Reporting Period, which is expected to be released in August 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Sino Oil and Gas Holdings Limited
Dai Xiaobing
Chairman

Hong Kong, 22 July 2014

As at the date of this announcement, the Board comprises three Executive Directors, namely, Dr. Dai Xiaobing, Mr. King Hap Lee and Mr. Wan Tze Fan Terence; three Non-executive Directors, Mr. Chen Hua, Mr. Huang Shaowu and Mr. Ma Tengying, and four Independent Non-executive Directors, namely, Mr. Wong Kwok Chuen Peter, Professor Wong Lung Tak Patrick, Dr. Wang Yanbin and Dr. Dang Weihua.