

29 May 2017

## **SANJIAOBEI GAS SALES PROCEEDS RECEIVED**

Sino Gas & Energy Holdings Limited (ASX: SEH, "Sino Gas" or "the Company") is pleased to announce the receipt of all outstanding historical Sanjiaobei gas sales proceeds.

The joint venture company, Sino Gas Energy Limited ("SGE") has received ~US\$2 million equivalent (~US\$1 million net to Sino Gas) from its PSC partner, PetroChina CBM ("PCCBM"), for outstanding pilot gas sales from the Sanjiaobei PSC between December 2014 and December 2016.

With this first payment receipt, payments for ongoing sales from the Sanjiaobei PSC are expected to be received quarterly in accordance with the pilot gas sales allocation agreement. Proceeds for gas sales since the restart of the Sanjiaobei Central Gathering Station ("CGS") in December 2016 to the end of the first quarter will now be processed.

Commenting on the receipt of Sanjiaobei gas sales proceeds, Managing Director Glenn Corrie said, *"We are very pleased to have now received the outstanding historical payment. We maintain an excellent working relationship with our partner, PetroChina, and are working collaboratively on the ODP submission."*

### **Sino Gas & Energy Holdings Limited**

Investor Relations  
 +86 10 8458 3001  
 1300 746 642 (local call within Australia)  
[ir@sinogasenergy.com](mailto:ir@sinogasenergy.com)

### **About Sino Gas & Energy Holdings Limited**

Sino Gas & Energy Holdings Limited ("Sino Gas" ASX: SEH) is an Australian energy company focused on developing natural gas assets in China. Sino Gas holds a 49% interest in Sino Gas & Energy Limited ("SGE") through a strategic partnership with China New Energy Mining Limited ("CNEML"). SGE has been established in Beijing since 2006 and is the operator of the Linxing and Sanjiaobei Production Sharing Contracts (PSCs) in the Ordos Basin, Shanxi province. Sino Gas also owns an option to acquire an additional 5.25% participating interest in the Linxing PSC.

SGE's interest in the Linxing PSC with CUCBM is 64.75% and 49% for the Sanjiaobei PSC held with PCCBM. SGE has a 100% working interest during the exploration phase of the PSC, with SGE's PSC partners being entitled to back-in upon Overall Development Plan (ODP) approval, by contributing development and operating costs in line with their PSC interest. Sino Gas holds an option to acquire an additional 5.25% participating interest (assuming full partner back-in) in the Linxing PSC at ODP by contributing 7.5% of historical back costs to SGE.

The PSCs are located in the Ordos Basin and cover an area of approximately 3,000km<sup>2</sup>. The Ordos Basin is the largest gas producing basin in China. The region has mature field developments with an established pipeline infrastructure to major markets. Rapid economic development is being experienced in the province in which Sino Gas' PSCs are located and natural gas is seen as a key component of clean energy supply in China.

Sino Gas & Energy Holdings Limited (ASX: SEH) was admitted to the Official List of ASX in 2009.

### **Disclaimer**

Certain statements included in this release constitute forward looking information. This information is based upon a number of estimates and assumptions made on a reasonable basis by the Company in light of its experience, current conditions and expectations of future developments, as well as other factors that the Company believes are appropriate in the circumstances. While these estimates and assumptions are considered reasonable, they are inherently subject to business, economic, competitive, political and social uncertainties and contingencies.

Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, gas prices, exploration, acquisition, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward-looking information is no guarantee of future performance and, accordingly, investors are cautioned not to put undue reliance on forward-looking information due to the inherent uncertainty therein. Forward-looking information is made as at the date of this release and the Company disclaims any intent or obligation to update publicly such forward-looking information, whether as a result of new information, future events or results or otherwise.