

23 April 2015

COMPLETES A\$80 MILLION PLACEMENT & SPP ANNOUNCED

Overview

Sino Gas & Energy Holdings Limited (ASX: SEH, “**Sino Gas**” or the “**Company**”) is pleased to announce the completion of a capital raising with commitments received for a placement of 500 million shares at A\$0.16 per share to raise A\$80 million (“**Placement**”). The Placement, to sophisticated and institutional investors, was strongly supported by existing shareholders and saw the introduction of new institutional investors to the Company’s register and was significantly oversubscribed.

The Placement price of A\$0.16 per share represents a 11.1% discount to the last traded price on Monday 20 April 2015 (A\$0.18) and 10.7% discount to 5 day VWAP on Monday 20 April 2015 (A\$0.179).

Proceeds from the Placement will be used to fund the Company’s expenditure requirements materially towards Overall Development Plan (“**ODP**”) including the aggressive build out of production through drilling, and adding new central gathering stations, and continued exploration activity. The proceeds will also provide additional working capital, the flexibility to repay debt, and a position of financial strength for the Company in its commercial dealings as well as general corporate purposes.

Commenting on the Placement, Managing Director Mr Glenn Corrie said: “*Sino Gas has made very good progress recently to significantly increase the reserves base and bring our assets into commercial production. The proceeds from this raise will build on this by funding the business materially towards ODP and placing us in a strengthened operational and financial position. The Board and I would like to thank existing shareholders for their support of the company and also welcome new investors in Australia and internationally onto our register. We would also like to encourage eligible shareholders to participate via the SPP.*”

Euroz Securities Limited and RBC Capital Markets acted as Joint Lead Managers to the Placement.

Details of the Placement

The Placement consists of 500 million new shares to be issued at a price of A\$0.16 per share to raise total funds of A\$80 million (before issue costs). The shares will be issued in two tranches:

- An unconditional placement of approximately 202 million shares to raise approximately A\$32 million under the Company’s 15% placement capacity
- A conditional placement of approximately 298 million shares (“**Conditional Shares**”) to raise approximately A\$48 million, subject to shareholder approval at an Extraordinary General Meeting (“**EGM**”) of Sino Gas shareholders, expected to be held on 4 June 2015.

New shares issued under the Placement will rank equally with existing shares on issue. Additional information in relation to the Placement can be found in the Investor Presentation released separately to the ASX on 23 April 2015.

Director participation

Under the Placement, the Directors have agreed to subscribe for a total of approximately 1.6 million shares (“**Directors’ Conditional Shares**”). The issue of the Directors’ Conditional Shares by the Company is subject to shareholder approval at the EGM of the Company expected to be held on 4 June 2015.

Indicative timetable

Event	Date
ASX announcement of placement and resumption of trading	Thursday 23 April 2015
Settlement (Tranche One)	Tuesday 28 April 2015
Allotment (Tranche One)	Wednesday 29 April 2015
Extraordinary General Meeting To Approve Tranche Two	Thursday 4 June 2015
Settlement (Tranche Two)	Friday 5 June 2015
Allotment (Tranche Two)	Tuesday 9 June 2015

This timetable is indicative only and subject to change at the discretion of Sino Gas.

A notice of meeting for the EGM will be dispatched to shareholders shortly.

Share Purchase Plan (SPP)

The Company will offer a non-underwritten Share Purchase Plan (“**SPP**”) for eligible shareholders to subscribe for up to \$15,000 worth of shares per shareholder at A\$0.16 per share, which is the same price as the Placement. The record date for participation in the SPP is 22 April 2015.

The SPP is subject to the terms set out in the SPP booklet, which will be released to the Australian Securities Exchange and sent to eligible shareholders on or about 30 April 2015.

For more information, please contact:

Sino Gas & Energy Holdings Limited

Glenn Corrie
Managing Director & CEO
Tel: +86 10 8458 3001
1300 746 642 (local call within Australia)
ir@sinogasenergy.com

Laura Loppacher
Investor Relations
Tel: +86 1084583001
1300 746 642 (local call within Australia)

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About Sino Gas & Energy Holdings Limited

Sino Gas & Energy Holdings Limited (“**Sino Gas**” ASX: SEH) is an Australian energy company focused on developing Chinese unconventional gas assets. Sino Gas holds a 49% interest in Sino Gas & Energy Limited (“SGE”) through a strategic partnership completed with MIE Holdings Corporation (“MIE” SEHK: 1555) in July 2012. 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.

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.

The PSCs are located in the Ordos Basin and cover an area of approximately 3,000km². The Ordos Basin is the second largest onshore oil and 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 provinces 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.