

26 May 2016

## FIRST OFFSHORE REMITTANCE OF GAS SALES PROCEEDS

Sino Gas & Energy Holdings Limited (ASX: SEH, "**Sino Gas**" or the "**Company**") is pleased to announce that gas sales proceeds received by the Joint Venture company, Sino Gas Energy Limited (the "**Joint Venture**" or "**SGE**") have been remitted offshore China for the first time.

After finalising the necessary approvals, approximately US\$1 million equivalent has been remitted to SGE's bank account based in Hong Kong from where the funds are freely transferable.

It is Sino Gas' intention for the funds to be held in US Dollars in the Joint Venture's Hong Kong bank account until needed to fund the ongoing work program.

Commenting on the first offshore remittance of gas sales proceeds, Sino Gas Managing Director Mr Glenn Corrie said: *"Through our pilot program, we continue to derisk our Ordos Basin gas development project. With the remittance of funds offshore now demonstrated, we have completed the value chain for gas sold from the Linxing PSC, another major milestone for the monetisation of our world class assets."*

### 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 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 3,000km<sup>2</sup>. The Ordos Basin is the largest onshore 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.