

27 December 2012

## SINO GAS & ENERGY RAISING A\$10.1 MILLION VIA INSTITUTIONAL PLACEMENT

Sino Gas & Energy Holdings Limited (ASX: SEH, **Sino Gas** or the **Company**) is pleased to advise that it has received binding and irrevocable commitment letters to undertake a capital raising of approximately A\$10.1 million, before costs, via a placement (**Placement**) of 82,448,979 new fully paid ordinary shares at \$0.1225 per share to two leading institutional investors.

Sino Gas' Executive Chairman, Gavin Harper, said:

*We are very pleased to bring on board investors who are interested in our progress with our Chinese gas projects and growth profile. The addition of these particular institutions will add considerable strength to our register.*

Settlement of the Placement is scheduled to occur on Thursday, 3 January 2013.

Argonaut Securities Pty Ltd is acting as Lead Manager to the Placement.

For more information, please contact:

### Sino Gas & Energy Holdings Limited

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Our latest announcements and presentations can be found on our website:

[www.sinogasenergy.com](http://www.sinogasenergy.com)

“Size, Scale, Market, Pricing and Fully Funded”

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## About Sino Gas & Energy Holdings Limited

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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 3,000km<sup>2</sup>. 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.

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## Resources Statement & Disclaimer

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The statements of resources in this Release have been independently determined to Society of Petroleum Engineers (SPE). Petroleum Resource Management Systems (SPE PRMS) standards by internationally recognized oil and gas consultants RISC (January 2012) and NSAI (2008). These statements were not prepared to comply with the China Petroleum Reserves Office (PRO-2005) standards or the U.S. Securities and Exchange Commission regulations and have not been verified by SGE's PSC partners CNPC and CUCBM. All resource figures quoted are mid case - 100% unless otherwise noted.

Certain statements included in this announcement may constitute forward-looking statements. Any forward-looking statements are based on current assumptions and forecasts and are not guarantees or predictions of future performance. Such statements involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the forward-looking statements. Accordingly, Sino Gas, its directors, officers and agents do not give any assurance or guarantee that the occurrence of the events referred to in this document will occur as contemplated.

**ANNOUNCEMENT ENDS**