

MEDIA RELEASE / ASX ANNOUNCEMENT

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SINO GAS & ENERGY HOLDINGS LISTS ON ASX TODAY

Strong Support from New & Existing Shareholders

Sino Gas & Energy Holdings Limited (Sino Gas, ASX: SEH) is pleased to announce its debut on the Australian Securities Exchange (ASX) following its successful initial public offering.

Sino Gas is an emerging Australian energy company based in Beijing, and intends to capitalise on the demand for clean and affordable energy from the large and growing central Chinese domestic gas markets which are in close proximity to the Company's projects.

Sino Gas Chairman Mr Sam Snyder said Sino Gas offered investors outstanding exposure to current and future gas demand in China.

"After a successful operational history in China spanning the past four years, it is very pleasing for the Company to take the next step and successfully list on the ASX. We look forward to a great future as we feed China's insatiable demand for cleaner, reliable, cost effective energy in the form of gas," said Mr Snyder.

China's gas demand potential is enormous, with accelerating growth in gas consumption over the past decade. Chinese gas consumption reached 55 billion cubic metres in 2006, three times the volume consumed in 1996. With robust economic development expected to continue, energy demand is expected to be high, particularly for clean fuels. In addition to large scale imports of LNG, domestically produced gas is expected to supply this demand.

The successful Sino Gas IPO and associated Rights Issue raised \$7.9 million in total, which has resulted in the issue of 31.6 million Shares (and one free attaching 2010 Option and one free attaching 2011 Option for each new Share issued). This brings the total issued share capital of Sino Gas to approximately 149.2 million Shares. The Sino Gas IPO and Rights Issue was underwritten to \$7 million by Patersons Securites, one of Australia's leading financial services firms with particular expertise in the Energy Sector.

"As the first oil & gas company to list on the ASX since January 2008, this is an excellent result," Mr Snyder said.

Sino Gas has Substantial Gas Assets Onshore China

Sino Gas' current projects are located in the Ordos Basin, which is China's second largest onshore oil and gas producing basin, situated in the province of Shanxi in North West China. Major international operators including Shell and TOTAL also operate in the Basin. Hundreds of gas wells have been drilled in the Ordos Basin since the late 1990s with a number of tight gas fields on production or under development.

Sino Gas has interests in two production sharing contracts (PSC's) in the Basin, Linxing and Sanjiaobei, alongside Chinese State Owned Entities. The two PSC's cover over 3,700km² and are prospective for methane gas from both its tight gas sands and coal bed methane assets.

Gas resources have been independently determined to Society of Petroleum Engineers (SPE) Petroleum Resource Management Systems standards by internationally recognised oil and gas consultants RISC Pty Ltd. Total P50 gas resources are estimated to be 9.1 Tcf Gas in Place with recoverable volumes consisting of 1.0 Tcf Contingent Resources and 1.7 Tcf Prospective Resources.

Sino Gas has drilled 6 wells (5 gas discovery wells) on the tight gas sands 'Tuban Prospect' and will commence a further appraisal program expected to consist of the drilling of two tight gas sands wells as well as fracking and well testing of new and existing exploration wells.

Formal Approval of Linxing PSC Modification Agreement

Sino Gas is also very pleased to announce that the Chinese Ministry of Commerce has formally approved the assignment of Chevron's 50% gross working interest in the Linxing PSC to Sino Gas (bringing Sino Gas' gross working interest in this PSC to 100%), as well as an extension of the exploration period to 31 August 2011.

Stephen Lyons, Beijing based Managing Director of Sino Gas said that this approval is a testament to its relationship with its Chinese Partner.

"The approval, which was contemplated in the Prospectus detailing the Offer, has driven a substantial increase in the Company's independently verified recoverable resources on the Linxing PSC with total recoverable resources increasing by 691Bcf to 1.38Tcf (Sino Gas share)".

"Sino Gas has an exciting 12 months ahead as we progress our development program and move towards our vision of supplying gas to the burgeoning Chinese energy market," said Mr Lyons.

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About Sino Gas & Energy (SGE)

SGE is an Australian company focused on developing Chinese gas assets. Our focus is to provide clean and affordable energy for local markets.