Stephen J Lyons
Managing Director
China Cell: +86 139 1148 1669
China Phone: +86 10 6530 9260
Email: slyons@sinogasenergy.com

Sino Gas & Energy Holdings Limited
ACN 124 242 422
Sino Gas & Energy Limited
ACN 115 316 599

China Office:
Suite 335, 3rd Floor, Office Tower A2
Lido Place, 6 Jiang Tai Road
Chaoyang District, Beijing, China 100004

Australian Office:
311-313 Hay Street
Subiaco, Western Australia

ASX ANNOUNCEMENT

30 May 2011

ANNUAL GENERAL MEETING – CHAIRMAN'S ADDRESS AND MANAGING DIRECTOR'S PRESENTATION

Sino Gas & Energy Holdings Limited ("Sino Gas", the "Company"; ASX: SEH), an Australian company developing unconventional gas assets within the Ordos Basin, Shanxi Province China, will hold its Annual General Meeting today in Perth, Western Australia.

The Chairman's Address for that meeting is contained below. The Managing Director's Presentation will follow.

For more information, please contact:

Sino Gas & Energy
Stephen Lyons: Managing Director,
+86 139 1148 1669, +86 10 6530 9260,
slyons@sinogasenergy.com

Gavin Harper: Chairman,
gharper@sinogasenergy.com

Investor Relations - Australia
Ronn Bechler, + 61 400 009 774
ronn.bechler@marketeye.com.au

Investor Relations – Hong Kong
Anita Wan, +852 2217 2687;
anita.wan@quamgroup.com

About Sino Gas & Energy Holdings Limited
Sino Gas & Energy Holdings Limited (ASX: SEH) is an Australian company focused on developing Chinese unconventional gas assets. The Company has operated in Beijing since 2005 and holds a portfolio of unconventional gas assets in China through Production Sharing Contracts (PSC's).

The PSC's are located in Shanxi province in the Ordos Basin and cover an area of over 3,700km^2. The Ordos Basin is the second largest onshore oil and gas producing basin in China. The area 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's PSC's are located and natural gas is seen as a key component of clean energy supply in China.

On Sino Gas's Tuban prospect, 10 wells have been drilled, the latest being TB-09 in Q4, 2010. Extensive seismic and other subsurface studies have also been conducted. Multiple wells have been flow tested with commercial flow rates achieved on many of the wells, including significant commercial rates on the TB-07 and TB-09 wells.

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 Pty Ltd. All resource figures quoted are mid case - 100%.

Additional information on Sino Gas can be found at www.sinogasenergy.com

Annual General Meeting – Chairman's Address – Mr Gavin Harper

Although it has been only six months since the last AGM because of changes to our accounting year, this has been a highly active and productive period for the company and positions us to move forward with unlocking the huge value from the development of the gas resources in China. Some highlights:

- In February we completed the independent reserves and resources certification update in our contract areas. As well as being able to book our maiden proved reserves, we were able to confirm the enormous scale of the resources that can be developed – over 2.2 TCF of contingent and prospective gas – making this a worldscale gas discovery.
- We have focused on the things that are required in order to develop these resources and unlock the $ billion plus value. In this we have enjoyed strong support from our partners CNPC / Petrochina CBM and CUCBM – who have recently become 50% owned and managed by CNOOC
- Careful planning with our strong Chinese partners of the 2011 work program to ensure that as we focus on the key building blocks for field development; Pilot production implementation and Chinese Reserves Report preparation, we do so in a way that will directly support development approvals – Stephen will say more on what we have planned for the coming months of field work
- Arranging financing to underpin the ongoing activity – after careful review of alternatives, in April we entered a facility agreement with Springtree to provide ongoing funding for our projects over the next two years
- Preparing for ongoing growth in gas sales – our gas resource is in an area of immediate high demand. We are working with our partners to prepare for initial sales of pilot production into the local markets. The Shanxi Province has objectives contained in the latest 5 year plan to significantly increase the use of gas as a clean fuel to meet growth in demand and to substitute for existing coal consumption – our longer term sales plans fit very well with this immediate local need.
- Building the capability within Sino Gas to implement the challenges ahead. At the last AGM, I was proud to be able to report over 140,000 hours of incident free operations. This has been continued over the balance of 2010 and so far into 2011. Meantime, we have recruited additional staff from a variety of functions to ensure that we have the skills and experience to unlock the value of our gas assets as we implement the projects – again Stephen will provide more on this.

As we speak, operations are ongoing in the field with pilot production on SJB-03, well testing of the TB-09 well that was completed late in 2010 and seismic surveys commencing to extend our understanding of the resources beyond the initial discovery areas. This field activity complements ongoing intensive work with our supportive Chinese partners to plan the various elements of the project implementation.

Overall, this has been a period of tremendous progress and I thank Stephen and his team, especially our COO Frank Fu for their ongoing contributions. I look forward to continuing to update the market over the coming months on our progress to increased gas sales and to development.