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

1 December 2011

LISTED OPTIONS EXPIRING 31 DECEMBER 2011

Attached is the information required by paragraph 6.1 of Appendix 6A.

The ASX has granted the Company a waiver from mailing this information to Option holders.

ENDS

For more information, please contact:

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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 3,000km^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, 11 wells have been drilled, the latest being SJB2 during November 2011. 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 its TB07, TB08, TB09 and TB04 wells. The gas flow rates in this release are estimated at 200 psi Flowing Tubing Head Pressure (THP) unless otherwise noted.

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

Stephen J Lyons
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1 December 2011

Dear Option Holder

SINO GAS – LISTED OPTIONS EXPIRING 31 DECEMBER 2011

You are registered as the holder of options (**Options**) in Sino Gas & Energy Holdings Limited (**Sino Gas**). These Options are listed for official quotation by the Australian Securities Exchange (**ASX**). The Options trade on ASX under the code SEHOA.

Expiry date

The Options will expire on Saturday, 31 December 2011 unless exercised on or before that date.

Exercise price, payment and number of shares to be received

The exercise price of the Options is 50 cents per Option payable in full at the time the Option is exercised. For each Option exercised you will be issued with one fully paid ordinary share in Sino Gas ranking equally in all respects with other fully paid ordinary shares in Sino Gas on issue at that time.

Exercise of the Options

If you wish to exercise the Options, you must complete and sign the Option Exercise Form previously issued to you and ensure that the completed and signed Form and a cheque for the full amount payable on exercise of the Options are received by Sino Gas' share registry at the following address no later than 5.00 p.m. (Perth time) on Saturday, 31 December 2011:

Computershare Investor Services Pty Limited
GPO Box D182 Perth
Western Australia 6840

Cheques must be in Australian currency, made payable to Sino Gas & Energy Holdings Limited and crossed "not negotiable".

Option Exercise Form

An Option Exercise Form was previously issued to you. It shows the number of Options you hold. You may elect to either exercise all of your Options, only a portion of them or none of them. The number of fully paid ordinary shares in Sino Gas you will receive on exercising your Options will be the same as the number of Options you decide to exercise. If you decide not to exercise any of your Options you will not receive any additional shares in Sino Gas. Please refer to the instructions which accompany the Option Exercise Form for further guidance on how to complete the form. If you require a replacement Option Exercise Form please contact Sino Gas' share registry at:

Shareholders within Australia: 1300 850 505
Overseas shareholders: +61 (03) 9415 4000

Consequences of non-payment

You may choose whether or not you wish to exercise your Options. However, any Options that are not exercised by the expiry date will lapse and will be of no further value. No further entitlement will exist.

Final date of options trading on ASX

Quotation of the Options on ASX will end at the close of trading on Wednesday, 21 December 2011 (which is 5 business days before the expiry date of the Options).

Market prices

The latest available market price of fully paid ordinary shares in Sino Gas as quoted on the ASX on the day before the date of this notice (being the closing price on 1 December 2011) was 4 cents per share.

The highest and lowest market prices of fully paid ordinary shares in Sino Gas during the 3 months immediately before this notice (commencing from 31 August 2011) were:

highest	6.1 cents per share on 9 September 2011
lowest	3.8 cents per share on 8 November 2011

The prices set out above are by reference to the closing price on SEATS (the automated trading system used by ASX), excluding special crossings, overnight sales and exchange traded option exercises.

Independent financial advice

If you are in any doubt about your rights in relation to the Options or whether you should exercise them, you should seek independent financial advice from a suitably qualified financial adviser. Nothing in this letter should be treated by you as being a recommendation, statement of opinion or advice by the Company or any of its officers regarding the exercise of the Options by you. Neither the Company nor any of its officers are in a position to consider your personal objectives, financial situation or needs.

Yours faithfully
Sino Gas & Energy Holdings Limited

Stephen J Lyons
Managing Director