Sino Gas & Energy Holdings Limited
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ASX ANNOUNCEMENT

23 March 2012

SINO GAS – CONTINUING SUPPORT FROM IMDEX

Sino Gas & Energy Holdings Limited's (ASX:SEH, Sino Gas) 22.49% major shareholder Imdex Limited (ASX: IMD) has confirmed that it intends to retain its investment in Sino Gas until the Company's "market capitalisation more appropriately reflects the project valuation."

In a letter from Chairman Mr Ross Kelly, Imdex noted that:

- there has been a significant strengthening of the board and the appointment of Mr Robert Bearden, an experienced oil and gas industry professional, as President & CEO to lead the Company through the next phase of its development;
- an independent assessment of Sino Gas's projects resulted in Contingent & Prospective Gas resources of 3.6 Tcf and a risked project value of $1.8 billion; and
- Sino Gas has appointed Argonaut Capital to raise in excess of $25 million in non-dilutive funding.

Sino Gas Executive Chairman Gavin Harper said that Imdex has been a long term supporter of the Company and welcomed Imdex's continuing support.

"Imdex's support for the significant steps that the Company is making as it transitions to development in China is very welcome at this time. This year Sino Gas expects to commence first commercial gas production which will mark the evolution from explorer to producer-explorer.

"Sino Gas has embarked on transformational changes to meet the needs of a commercial gas operator and to maximise shareholder value. It is pleasing to see these efforts now starting to be reflected in the Company's share price and being recognized by its existing shareholder group as well as new investors."

Patersons Securities Research Report (The Chinese Gas Revolution)

Following recent reserves upgrades and other high impact announcements, Patersons Securities has released a Research Report on the Company which is available at www.sinogasenergy.com

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About Sino Gas & Energy Holdings Limited
Sino Gas & Energy Holdings Limited (ASX: SEH) is an Australian energy 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. 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% 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.

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