

ASX ANNOUNCEMENT

29 August 2012

SINO GAS – RESEARCH REPORT

The Company advises that Argonaut Securities Pty Limited has prepared an Independent Research Report in relation to the Company, a copy of the report can be found on the research section of the Company's website (www.sinogasenergy.com). The Company did not commission this report. Argonaut continues to act as Corporate Advisor to the Company and receives fees a flat monthly fee in respect of these advisory services.

ENDS

For more information, please contact:

Sino Gas & Energy

Gavin Harper: Executive Chairman
+ 61 8 9388 8618, +61 416 427 275
gharper@sinogasenergy.com

Robert Bearden: CEO & President
+86 10 6530 9260
rbearden@sinogasenergy.com

About Sino Gas & Energy Holdings Limited

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 signed with MIE Holdings Corporation ("MIE" SEHK: 1555) in June 2012 to develop two blocks held under Production Sharing Contracts (PSCs) with CNPC and CUCBM. SGE has been established in Beijing since 2005 and is the operator of the Sanjiaobei and Linxing PSCs in Shanxi province.

The PSCs are located in the Ordos Basin and cover an area of approximately 3,000km². 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 PSCs 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 and NSAI. 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.

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