Rule 3.19A.1

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	**Sino Gas & Energy Holdings Limited**
ABN	**16 124 242 422**

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Robert Gordon Bearden
Date of appointment	1 September 2012

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Nil

+ See chapter 19 for defined terms.

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest.	**Number & class of Securities**
Citigroup Global Markets Inc– held on trust on behalf of Robert Bearden	200,000 Ordinary Shares

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Executive Services Agreement between Mr Bearden and Sino Gas & Energy Holdings Limited ("Company") (refer ASX announcement dated 28 February 2012) which provides, inter alia: (a) Contractual right to receive 11 million performance rights under the Sino Gas & Energy Holdings Limited Executive, Officer and Employee Performance Rights Plan ("Performance Rights") – subsequently effected by offer letter dated 23 July 2012 from the Company to Mr Bearden, as accepted by Mr Bearden. Performance Rights Certificate issued on 30 July 2012. (b) Contractual right to receive, subject to any necessary shareholder or regulatory approvals, additional Performance Rights to ensure that in the event of dilution aggregate Performance Rights are equivalent to one percent of the issued shares of the Company.
Nature of interest	Each Performance Right is a personal contractual right to be issued with or transferred a single share in the Company. A Performance Right may be exercised (if it has not otherwise lapsed) in accordance with the Executive, Officer and Employee Performance Rights Plan on the satisfaction of prescribed performance criteria within the performance period. The Performance Criteria for 5,500,000 Performance Rights to be achieved on or before 31 December 2013 ("First Performance Period"), are:

+ See chapter 19 for defined terms.

Nature of interest (continued)	(a) 1,375,000 Performance Rights will become exercisable if the Company's share price on ASX reaches at least $0.40 for 5 continuous trading; (b) 1,375,000 Performance Rights will become exercisable if the Company's share price on ASX reaches at least $0.25 for 5 continuous trading; (c) 1,375,000 Performance Rights will become exercisable if the Chinese Reserve Reports for each of Sanjiaobei, Linxing East and Linxing West are submitted; and (d) 1,375,000 Performance Rights will become exercisable if a Pilot Production approved by one of the PSC partners in connection with either Sanjiaobei or Linxing and supported by a Gas Sales Agreement is producing 100,000 cubic meters per day on at least 5 days. The Performance Criteria for 5,500,000 Performance Rights ("Second Tranche") to be achieved on or before 1 June 2015 ("Second Performance Period"), are: (a) 1,375,000 Performance Rights will become exercisable if the Company has been successfully relisted or dual listed on a stock exchange selected by the Board of the Company no later than 1 February 2015; (b) 1,375,000 Performance Rights will become exercisable if a debt financing facility(or such other alternative financing as may have been agreed by the Board of the Company) is in place for the Company to provide adequate funding for the Company's obligations for full field development of either or both of Sanjiaobei or Linxing; (c) 1,375,000 Performance Rights will become exercisable if, post approval of the Overall Development Plan, production has been established for both the Sanjiaobei PSC and Linxing PSC; (d) 1,375,000 Performance Rights will become exercisable if initial exploration work programs, sufficient to provide a preliminary assessment of resource potential and to avoid the relinquishment of any prospective areas, have been completed for all of Sanjiaobei PSC and for all of Linxing PSC. As regards the Performance Criteria applicable to the Second Tranche of Performance Rights, the Board may in its discretion at any time prior to 31 December 2013 determine that any one or more of the Performance Criteria are not appropriate based on the Company's then prevailing performance, activities or status during the prior year, and may vary or substitute those criteria for such other performance criteria, as may be set by the Board at the end of 2013 by written notice to you (after due consultation with you). The Expiry Date is 3 months after the expiry of the First Performance Period and the Second Performance Period, respectively.

+ See chapter 19 for defined terms.

Name of registered holder (if issued securities)	N/A
No. and class of securities to which interest relates	11,000,000 Performance Rights

+ See chapter 19 for defined terms.