

5 September 2018

SINO GAS SHAREHOLDERS APPROVE SCHEME OF ARRANGEMENT

Sino Gas & Energy Holdings Limited (ASX: SEH, the “Company” or “Sino Gas”) is pleased to confirm that at the Scheme Meeting held today in Sydney, Sino Gas shareholders voted in favour of the scheme of arrangement (the “Scheme”) under which a wholly-owned subsidiary of Lone Star Fund X Acquisitions, LLC (together with its affiliates, “Lone Star”) will acquire 100% of the issued share capital of Sino Gas.

Sino Gas advises that the resolution to approve the Scheme, as set out in the Notice of Meeting dated 27 July 2018, was passed by the requisite majorities of shareholders, with:

- 88.04% of votes cast in favour of the resolution;
- 92.51% of Sino Gas shareholders present and voting (either in person or by proxy) in favour of the resolution.

The voting results of the Scheme Meeting are attached to this announcement.

Next Steps and Indicative Timetable

The Scheme remains subject to Court approval in order to be implemented. Sino Gas has applied to the Court for approval of the Scheme at a hearing scheduled to be held at 9.15am (Sydney time) on Tuesday, 11 September 2018 at the Federal Court of Australia – New South Wales Registry.

The Company will make a further announcement after the Court has considered the matter. If the Court approves the Scheme, Sino Gas intends to lodge the orders of the Court with the Australian Securities and Investments Commission (“ASIC”) on Wednesday, 12 September 2018. If this occurs, the Scheme will become effective and Sino Gas shares will be suspended from trading on the Australian Securities Exchange (“ASX”) with effect from the close of trading on Wednesday, 12 September 2018.

The indicative timetable for implementation of the Scheme remains as disclosed in the Scheme Booklet:

Event	Date
Second Court Date for approval of the Scheme	Tuesday, 11 September 2018
Effective Date Court order lodged with ASIC and announcement to ASX Last day of trading in Sino Gas Shares – Sino Gas suspended from trading on ASX from close of trading	Wednesday, 12 September 2018
Record Date for determining entitlements to Scheme Consideration	5:00pm (Sydney time) on Friday, 14 September 2018
Implementation Date Payment of Scheme Consideration to Scheme Shareholders	Wednesday, 19 September 2018

All dates are indicative only and, among other things, are subject to all necessary approvals being obtained from the Court. Sino Gas reserves the right to vary the times and dates set out above. Any changes to the above timetable will be announced on the ASX and notified on Sino Gas’ website at <http://sinogasenergy.com/>.

Scheme Consideration

If Court approval is granted, Sino Gas shareholders will receive the scheme consideration of A\$0.25 ("Scheme Consideration") for each Sino Gas share held at 5.00pm (Sydney time) on the Record Date, Friday, 14 September 2018. Shareholders will be paid their Scheme Consideration on or around Wednesday, 19 September 2018, in cash either by electronic funds transfer into their nominated Australian bank account or Australian dollar cheque.

Shareholder Information Line

Sino Gas shareholders who have questions in relation to the Scheme should contact the Sino Gas Shareholder Information Line on 1300 223 089 (within Australia) or +61 3 9415 4067 (outside Australia), Monday to Friday between 8:30am to 5:00pm (Sydney time).

Investor Enquiries:

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About Sino Gas & Energy Holdings Limited

Sino Gas & Energy Holdings Limited ("Sino Gas" ASX: SEH) is an Australian energy company focused on developing natural gas assets in China. Sino Gas holds a 49% interest in Sino Gas & Energy Limited ("SGE"), the operator of the Linxing and Sanjiaobei Production Sharing Contracts ("PSCs") in the Ordos Basin, China's largest gas producing basin. SGE has been established in Beijing since 2005 and is jointly owned with China New Energy Mining Limited ("CNEML") via a strategic partnership.

The Linxing PSC is held with CUCBM (a CNOOC wholly-owned subsidiary) and the Sanjiaobei PSC is held with PCCBM (a PetroChina wholly-owned subsidiary). SGE's PSC partners are entitled to participate up to their 51%-PSC participating interest by contributing their future share of costs.

Sino Gas also holds an option to acquire 7.5% of SGE's participating interest in the Linxing PSC by contributing 7.5% of historical back costs to SGE (3.675% interest assuming full CUCBM participation).

The PSCs cover an area of approximately 2,000km² in the Ordos basin in Shanxi, a rapidly developing province. The region has mature field developments with an established pipeline infrastructure to major markets. Natural gas is a key component of clean energy supply in China, with the 13th Five-Year Plan identifying the Ordos basin as a strategic natural gas source.

Sino Gas & Energy Holdings Limited (ASX: SEH) was admitted to the Official List of ASX in 2009.

SINO GAS & ENERGY HOLDINGS LIMITED
Scheme Meeting
Wednesday, 5 September 2018
Voting Results

Resolution:

“That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Sino Gas and the holders of its fully paid ordinary shares, the terms of which are contained in and more particularly described in the Scheme Booklet of which the notice convening the Scheme Meeting forms part, is approved (with or without alterations or conditions as approved by the Federal Court of Australia) and, subject to approval of the Scheme by the Court, the Sino Gas Board is authorised to implement the Scheme with any such alterations or conditions.”

Voting results:

The following information is provided in accordance with section 251AA(2) of the *Corporations Act 2001* (Cth).

The following table provides a summary of the votes cast on the poll:

Voting Results	For	Against	Abstain ¹
Number of votes	1,351,719,908	183,622,732	1,200,000
Number of holders	618	50	3
Percentage of votes	88.04%	11.96%	n/a
Percentage of holders	92.51%	7.49%	n/a

The following table provides a summary of the instructions given to validly appointed proxies (as at proxy close):

Voting Results	For	Against	Open	Abstain ¹
Number of votes	1,123,186,538	183,372,581	48,184,957	1,200,000
Number of holders	562	49	48	3
Percentage of votes	82.91%	13.54%	3.56%	n/a
Percentage of holders	85.28%	7.44%	7.28%	n/a

1. Note that votes relating to a shareholder who has abstained from voting are not counted in determining requisite majorities.