

Longwei Petroleum Provides Corporate Update

Management Announces Strong Operating Results

TAIYUAN CITY, China, Jan. 4, 2012 /PRNewswire-Asia-FirstCall/ -- Longwei Petroleum Investment Holding Ltd. (NYSE Amex: LPH) ("Longwei" or the "Company"), an energy company engaged in the storage and distribution of finished petroleum products in the People's Republic of China ("PRC"), today provided a year-end 2011 corporate update.

"We are pleased with our strong operating results year-to-date," stated Mr. Cai Yongjun, Chairman and CEO of Longwei. "Our revenues for the first five months of our fiscal year ending June 30, 2012 are up 6.1% year-over-year to \$204.8 million. We are also on track to close on our third facility as soon as possible. We are working with the seller and local officials to finalize the asset transfer."

To date Longwei has paid a RMB 550 million (approximately \$86.3 million USD) deposit toward the total purchase price of RMB 700 million (approximately \$109.9 million USD) for the purchase of the assets of Huajie Petroleum, a fuel storage depot in northern Shanxi Province with a 100,000-metric-ton storage capacity. "With the closing of our third facility, Longwei becomes the dominant private storage facility operator in the central region of the PRC," stated Mr. Cai. "We expect continued strong demand and have become more selective in our customer base to maintain our profit margins."

"China's economy is still expected to generate significantly more growth in petroleum consumption [in 2012] than any other major market in the world," according to IHS CERA (Cambridge Energy Research Associates), a leading global energy research and advisory firm. "In particular, we expect demand for diesel and gasoline – the two key oil products in China – to remain relatively strong and underpin the country's overall oil demand growth," IHS CERA forecasts. "Power shortages are also expected to worsen and could lead to significant incremental diesel demand."

"We believe the Company is well positioned to capitalize on the continued rising demand for petroleum products in the PRC, and we believe the addition of the new facility assets will further accelerate our revenue and earnings growth in fiscal 2012," stated Michael Toups, CFO of Longwei. "We are also working to improve our level of transparency with our shareholders to keep them informed on our corporate developments during the year."

About Longwei Petroleum Investment Holding Limited

Longwei Petroleum Investment Holding Limited is an energy company engaged in the storage and distribution of finished petroleum products in the People's Republic of China. The Company's oil and gas operations consist of transporting, storage and selling finished petroleum products, entirely in the PRC. The Company's headquarters are located in Taiyuan City, Shanxi Province. The Company has a storage capacity for its products of 120,000 metric tons located at

storage facilities in Taiyuan and Gujiao, Shanxi. The Company's Taiyuan and Gujiao facilities can store 50,000 metric tons and 70,000 metric tons, respectively. The Company has the necessary licenses to operate and sell petroleum products not only in Shanxi but throughout the entire PRC. The Company's storage tanks have the largest storage capacity of any non-government operated entity in Shanxi.

The Company seeks to earn profits by selling its products at competitive prices with timely delivery to coal mining operations, power supply customers, large-scale gas stations and small, independent gas stations. The Company also earns revenue under an agency fee by acting as a purchasing agent for other intermediaries in Shanxi, and through limited sales of diesel and gasoline at two retail gas stations, each located at the Company's facilities. The Company seeks to continue to expand its customer base and distribution platform through the utilization of its large storage capacity, which allows the Company the flexibility to take advantage of pricing, supply and demand fluctuations in the marketplace.

For further information on Longwei Petroleum Investment Holding Limited, please visit <http://www.longweipetroleum.com>. You may register to receive Longwei Petroleum Investment Holding Limited's future press releases or request to be added to the Company's distribution list by contacting Dave Gentry at info@redchip.com.

Forward-Looking Statements

Certain statements contained herein constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations, estimates and projections about Longwei's industry, management's beliefs and certain assumptions made by management. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Because such statements involve risks and uncertainties, the actual results and performance of the Company may differ materially from the results expressed or implied by such forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Longwei's operations are conducted in the PRC and, accordingly, are subject to special considerations and significant risks not typically associated with companies in North America and Western Europe. These include risks associated with, among others, the political, economic and legal environment and foreign currency exchange. The Company's results may be adversely affected by changes in the political and social conditions in the PRC and by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion, remittances abroad, and rates and methods of taxation. Other potential risks and uncertainties include but are not limited to the ability to procure, properly price, retain and successfully complete projects, and changes in products and competition. Unless otherwise required by law, the Company also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made here. Readers should review carefully reports or documents the Company files periodically with the Securities and Exchange Commission.

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