

# **Sino Clean Energy, Inc. Reconfirms Fiscal 2011 Guidance and Provides Recent Updates on Foshan Nan Hai Acquisition, Asset Verification and Lawsuit**

XI'AN, China, Sept. 30, 2011 /PRNewswire-Asia-FirstCall/ -- Sino Clean Energy, Inc. (NASDAQ: SCEI) ("Sino Clean Energy," or the "Company"), a leading producer and distributor of coal-water slurry fuel ("CWSF") in China, today reconfirmed its fiscal 2011 guidance and expected revenue of between \$101.5 million and \$110.7 million. The Company announced on the same day that its major customer, Shenyang Haizhong Heating, has completed pipeline modifications and is expected to resume operations in October as scheduled. Sino Clean Energy's Shenyang facility is prepared to produce CWSF to supply this key customer according to its expected ramp up in demand.

Sino Clean Energy also provided additional updates about Foshan Nan Hai acquisition, third-party asset evaluation, and lawsuit against Alfred Little.

In regards to its planned Foshan Nan Hai acquisition, Sino Clean Energy has engaged Shaanxi Rongde Law Firm ("Rongde") to conduct a comprehensive investigation and evaluation of Foshan Nan Hai's assets, ownership structure, liabilities, and credit worthiness.

As previously noted, Sino Clean Energy has engaged an independent third-party evaluation agency, Thornhill Capital LLC, to conduct a thorough evaluation of the Company's assets. The Company had previously expected to receive Thornhill's report in mid-September. The board decided that it was in the best interest of the shareholders to expand the scope of the report to go beyond verification of tax payments and cash balances and conduct additional verifications of assets. The expanded scope of work requires review of official government documents, which require an added amount of time to obtain.

In regards to the Company's lawsuit against Alfred Little, Sino Clean Energy is pleased to announce that the New York State Supreme Court has recently granted the Company an extra 60 days for serving the defendant. The Court has also allowed the Company's lawyers to serve Alfred Little by e-mail, which the Company expects will facilitate its ability to pursue this litigation, and complaints have now been served on both Alfred Little and Geoinvesting LLC. The Company intends to update investors about any material developments with the litigation as they occur.

## **About Sino Clean Energy**

Sino Clean Energy is the third largest producer of coal-water slurry fuel ("CWSF") by sales in China, according to data provided in Frost & Sullivan's 2010 Chinese CWSF market report. A leader in developing CWSF as a cleaner alternative to burning coal aggregate in heating, industrial and power generation for residential and industrial applications, the Company has

seven production lines located in Shaanxi, Liaoning, and Guangdong provinces. For more information about Sino Clean Energy, please visit <http://www.sinocei.net>.

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