



CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

PLACEMENT OF NEW ORDINARY SHARES AND WARRANTS

Approval-in-Principle from the SGX-ST (the "AIP")

The Board of Directors of China Environment Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 12 December 2014 and 2 January 2015 relating to the Placement (the "**Placement Announcements**"). Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Placement Announcements.

Further to the Placement Announcements, the Board wishes to announce that, in addition to the conditions of the AIP from the SGX-ST listed in the announcement dated 2 January 2015, the Placement Shares have to be placed out within seven (7) market days from the date of the AIP.

The AIP granted by the SGX-ST is not to be taken as an indication of the merits of the Placement, the Placement Shares, the Warrant Shares, the Company and/or its subsidiaries.

BY ORDER OF THE BOARD

Huang Min
Executive Chairman
5 January 2015