



CHINA ENVIRONMENT LTD.
(Registration No.: 200301902W)

LENDER ACTION WITH REGARD TO RECEIPT OF REPAYMENT NOTIFICATION

The Board of Directors of China Environment Ltd (the "Company" and, together with its subsidiaries, the "Group") wishes to announce that pursuant to the receipt of repayment notification from Bank of China ("Lender") announced on 24 August 2016, the Lender has filed a civil suit against the Company's wholly-owned subsidiary, Fujian Dongyuan Environmental Protection Co., Ltd (" FJDY") for the corporate guarantee FJDY allegedly entered into for Bangbu Xingyuan Environmental Protection Technology Co., Ltd.

The Anhui Bangbu People's Court has served an injunction on the Land and Property assets of FJDY, pending the outcome of the civil suit. Under this injunction, the Land and Property assets cannot be damaged, sold, pledged, transfer without the People's Court approval. The People's Court will hear the civil suit on 28 November 2016.

The Company will keep the shareholders informed on any further material developments.

BY ORDER OF THE BOARD

China Environment Ltd.

Norman Winata
Executive Chairman
25 November 2016