

## CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

## 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 its wholly-owned subsidiary, Fujian Dongyuan Environmental Protection Co., Ltd. ("Fujian Dongyuan") (福建东源环保有限公司) has recently received a repayment reminder letter from Bank of China Bangbu branch ("Bank") (中国银行蚌埠分行) on the corporate guarantee it has entered into with the Bank in June 2015 for a RMB20 million loan extended by the Bank to a company Bangbu Xingyuan Environmental Protection Technology Co., Ltd. (蚌埠星源环保技术有限公司).

The Company is investigating the veracity of this repayment reminder letter.

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

BY ORDER OF THE BOARD

Norman Winata
Executive Chairman
24 August 2016