



China Environment Ltd.

(Incorporated in the Republic of Singapore)

(Registration No.: 200301902W)

PROPOSED PLACEMENT OF 35,000,000 NEW ORDINARY SHARES - RECEIPT OF APPROVAL-IN-PRINCIPLE FROM THE SGX-ST

Reference is made to the announcement released by China Environment Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) on 12 October 2015 relating to *inter alia* the proposed placement of 35,000,000 new ordinary shares in the capital of the Company (“**Announcement**”). Unless defined otherwise, capitalised terms used herein shall have the same meanings ascribed to them in the Announcement.

The Board of Directors of the Company is pleased to announce that the Company has on 9 November 2015 received approval-in-principle (“**AIP**”) from the SGX-ST for the listing and quotation of the 35,000,000 Placement Shares on the Main Board of the SGX-ST.

The AIP granted by the SGX-ST is subject to the following:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) submission of the following documents:
 - (i) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
 - (ii) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual;
 - (iii) a written undertaking from the Placement Agent that it will ensure that the Company will comply with Rule 803 of the Listing Manual; and
 - (iv) a written confirmation from the Company and the Placement Agent that the Placement Shares will not be issued/offered to persons prohibited under Rule 812(1) of the Listing Manual.

The Company had earlier submitted the documents referred to as items (b)(i), (b)(iii) and (b)(iv) to the SGX-ST.

The approval-in-principle of the SGX-ST for the listing and quotation of the Placement Shares is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Company and/or its subsidiaries.

The Company will make further announcements as and when there are material updates on the Proposed Placement.

By Order of the Board

Huang Min
Executive Chairman
9 November 2015