

PRESS RELEASE

**CHINA ENVIRONMENT SECURED RMB120 MILLION BANK
CREDIT FACILITIES FROM BANK OF CHINA**

The Board of Directors of China Environment Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") is pleased to announce that its subsidiary, Fujian Dongyuan Environmental Protection Co., Ltd. ("**Fujian Dongyuan**") (福建东源环保有限公司), has obtained bank credit facilities from Bank of China (the "**Bank**") totaling RMB120 million for 2014.

Commenting on bank credit facilities offered by the Bank, Mr Huang Min, Executive Chairman of China Environment Ltd. remarked: "**We are pleased to continue receiving excellent support from financial institutions. This new bank credit facilities offered by the Bank to the Group is on top of the RMB130 million bank credit facilities we announced on 13 January 2014. They recognised the strong business prospects of the Group in providing urgent and much needed solutions to China's deteriorating air quality. With these credit facilities, we are in an even stronger position to secure more contracts and to step up the utilisation of our new plant in Anhui.**"

#End of Release#

About China Environment Ltd. (Bloomberg: CENV.SP; Reuters: CHEN.SI)

China Environment Ltd. (中国环保有限公司) is a comprehensive provider of industrial waste gas treatment solutions in the People's Republic of China (PRC), headquartered in Longyan City, Fujian Province. The Group designs and constructs industrial waste gas treatment systems. Its key products include Electrostatic Precipitators or ESPs, including Electrostatic Lentoid Precipitators or ESLPs, baghouses and hybrid dust collectors.

The Group conforms strictly to international quality standards. China Environment's commitment to excellence has won it many awards and accreditations including the ISO9001:2000 Quality Management System certification, ISO14001:2004 Environment Management System certification and OHSAS18001:1999 Occupational Health and Safety Management System authentication.

The Group is currently certified and included in the manufacturer recommended list for supplying ESPs for 200mw, 300mw and 600mw thermal power projects. The Company's wholly owned subsidiary – Fujian Dongyuan Environmental Protection Co., Ltd. is accredited as "High/New Technology Enterprise", it enjoys preferential income tax rate of 15% instead of standard income tax rate of 25%. The Company was upgraded to a listing on the Singapore Exchange (SGX) Mainboard on 27 August 2009 via a reverse takeover of Gates Electronics Limited.

ISSUED ON BEHALF OF **CHINA ENVIRONMENT LTD.**

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