



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

LENDER ACTION WITH REGARD TO ALLEGED LOAN

The Board of Directors of China Environment Ltd (the "Company" and, together with its subsidiaries, the "Group") wishes to announce that the Company's wholly-owned subsidiary, Fujian Dongyuan Environmental Protection Co., Ltd ("FJDY") has received Notices for the following:

- (i) Civil Suit by Chen Bing against FJDY for alleged loan of RMB5,000,000 announced on 1 November 2016.
 - (a) The People's Court will hear the civil suit on 30 Dec 2016.

- (ii) Civil Suit by Chen Wen Zhong against FJDY for alleged loan of RMB490,000 announced on 9 November 2016.
 - (a) The People's Court will hear the civil suit on 27 Dec 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
12 December 2016