



## CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

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### USE OF PLACEMENT PROCEEDS

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*Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the Company's announcements dated 12 October 2015, 9 November 2015 and 16 November 2015 in relation to the Placement (the "Announcement").*

The Board of Directors of China Environment Ltd. (the "**Company**") refers to the Company's placement of 35 million new ordinary shares in the capital of the Company (the "**Placement**").

The Board wishes to provide an update on the use of net proceeds of approximately S\$3.1 million (the "**Net Proceeds**") raised by the Company as follows:

	<b>Amount Allocated S\$'000</b>	<b>Amount Utilised S\$'000</b>	<b>Balance S\$'000</b>
1) Repayment of Bank Loans	1,500	(1,500)	-
2) General Working Capital for the Purposes:	1,600	(470)	1,130
a) Purchase of raw materials and other operating expenses		(42)	
b) Staff cost, directors' fee and administrative expenses		(347)	
c) Audit, tax and other professional expenses		(81)	
<b>Total</b>	<b>3,100</b>	<b>(1,970)</b>	<b>1,130</b>

The above utilisation of the Net Proceeds is consistent with the intended use of proceeds disclosed in the Announcement. The Company will continue to provide updates on the use of the Net Proceeds as and when such proceeds have been materially disbursed.

### BY ORDER OF THE BOARD

China Environment Ltd.

Huang Min  
Executive Chairman  
30 December 2015