

CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

RECEIPT OF LETTER OF DEMAND

The Board of Directors of China Environment Ltd (the "Company" and, together with its subsidiaries, the "Group") wishes to inform shareholders that the Company has received a letter of demand dated 1 November 2017 claiming the payment of RMB47,111,200 from the Company to Fujian Mintai Environmental Protection Co Limited ("FMEP")

The letter of demand was issued by Chen Fen Hua. Chen Fen Hua is the legal representative of FMEP and wife of Mr Huang Min, the former Executive Chairman of the Company. The deadline for payment as stipulated in the letter will lapse on 22 November 2017.

The Company is assessing the basis and merits of the claims and will take appropriate action accordingly. The Company will make further announcements on the matter as necessary.

BY ORDER OF THE BOARD

China Environment Ltd.

Norman Winata Executive Chairman 14 November 2017