

4 June 2015

To the Independent Securities Holders

Dear Sir or Madam,

**CONDITIONAL MANDATORY CASH OFFERS BY
GET NICE SECURITIES
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES AND
THE OUTSTANDING WARRANTS OF
ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED BY OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT)
AND
TO CANCEL ALL THE OUTSTANDING OPTIONS
OF ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED**

INTRODUCTION

It was announced on 14 May 2015 that on 5 May 2015, the Offeror (as purchaser) entered into the Sale and Purchase Agreement with the Vendors to acquire the Sale Shares and the Sale Warrants. As at the Latest Practicable Date, the Company has 5,240,959,776 Shares in issue, hence, (i) the Sale Shares, being 2,207,485,423 Shares, represent approximately 42.12% of the existing issued ordinary share capital of the Company; and (ii) the Sale Warrants, exercisable into 596,474,532 Shares, represent approximately 56.95% of all outstanding Warrants issued by the Company and, if and when exercised in full, represent approximately 10.22% of the issued share capital of the Company as enlarged by the allotment and issue of such new Shares. The aggregate consideration for the Sale Shares and Sale Warrants is HK\$240 million. The consideration for the Sale Shares is approximately HK\$239,940,352.54, equivalent to approximately HK\$0.1087 per Sale Share and the consideration for the Sale Warrants is HK\$59,647.46, equivalent to approximately HK\$0.0001 per Sale Warrant. The Sale and Purchase Completion took place on 7 May 2015.

The Vendors and the Offeror agreed and acknowledged that the delivery of the Sale Warrants did not take place on the Completion Date due to the time required for converting the Sale Warrants into scrip form. In this connection, the Vendors and the Offeror agreed that a total sum of HK\$2 million comprising of (i) HK\$1,940,352.54 representing part of the consideration of the Sale Shares; and (ii) HK\$59,647.46 representing total consideration for all of the Sale Warrants will be withheld by the Offeror pending delivery of the Sale Warrants. As at the Latest Practicable Date, the certificates in respect of the Sale Warrants have not been delivered to the Offeror and thus the Offeror has not paid the total sum of HK\$2 million to the Vendors. The Vendors and the Offeror acknowledged that if the Vendors fail to deliver the certificates in respect of the Sale Warrants within 20 Business Days from the Completion Date or any other date as the Vendors and the Offeror may agree in writing, the Offeror is entitled to enforcement of the Sale and Purchase Agreement by means of specific performance and an injunction to prevent a breach or continued breach.

An Independent Board Committee comprising Mr. David Tsoi, Mr. Lo Chi Kit and Mr. Tam Hang Chuen, the independent non-executive Directors, has been appointed to make a recommendation to the Independent Securities Holders as to whether the terms of the Offers are fair and reasonable and as to acceptance.

The Board has appointed the Independent Financial Adviser as the advisers to the Independent Board Committee and the Independent Securities Holders in relation to the Offers and the appointment has been approved by the Independent Board Committee.

The purpose of this Composite Document is to provide you with, inter alia, information relating to the Group and the recommendation of the Independent Board Committee to the Independent Securities Holders regarding the Offers, and the advice of the Independent Financial Adviser to the Independent Board Committee and the Independent Securities Holders on the Offers.

THE OFFERS

The Share Offer

The Share Offer is hereby made by Get Nice Securities on behalf of the Offeror to acquire all the issued Shares other than those already owned by or agreed to be acquired by the Offeror and parties acting in concert with it, in compliance with the Takeovers Code on the following basis:

For each Offer Share **HK\$0.1087 in cash**

The Offer Price of HK\$0.1087 per Offer Share is equal to the purchase price per Sale Share (rounded up to four decimal places) paid by the Offeror under the Sale and Purchase Agreement. The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights attaching or accruing thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of this Composite Document.

The Warrant Offer and the Option Offers

As at the Latest Practicable Date, there are Warrants and Options outstanding which may confer rights to the Warranholders and Optionholders respectively to subscribe for the Shares at exercise prices above the Offer Price. As a result, all the Warrants and Options are out-of-money and the Warrant Offer and the Option Offers will be made at nominal value. The Warrant Offer and the Option Offers are both being made by Get Nice Securities on behalf of the Offeror to acquire all the outstanding Warrants and Options other than those already owned by or agreed to be acquired by the Offeror and parties acting in concert with it, in compliance with the Takeovers Code on the following basis:

The Warrant Offer:

For each Offer Warrant **HK\$0.0001 in cash**

The Option Offers:

For cancellation of each Offer Option A **HK\$0.0001 in cash**
 For cancellation of each Offer Option B **HK\$0.0001 in cash**
 For cancellation of each Offer Option C **HK\$0.0001 in cash**
 For cancellation of each Offer Option D **HK\$0.0001 in cash**
 For cancellation of each Offer Option E **HK\$0.0001 in cash**
 For cancellation of each Offer Option F **HK\$0.0001 in cash**
 For cancellation of each Offer Option G **HK\$0.0001 in cash**

As at the Latest Practicable Date, the Company has 5,240,959,776 Shares in issue. In addition, as at the Latest Practicable Date, the Company has 1,047,423,024 Warrants and 336,610,136 Options remain outstanding.

Further details of the Offers

Further details of the Offers including, among others, the terms and conditions and the procedures for acceptance and settlement are set out in the "LETTER FROM GET NICE SECURITIES", Appendix I to this Composite Document and the accompanying Forms of Acceptance.

INFORMATION ON THE GROUP

The Company is incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in investment holding, natural resources and information technology related businesses.

Your attention is drawn to Appendices II and III of this Composite Document which contain further financial and general information of the Group.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed "INFORMATION ON THE OFFEROR" in the "LETTER FROM GET NICE SECURITIES" on pages 9 to 22 of this Composite Document.

FUTURE OF THE GROUP AND CHANGES OF DIRECTORS

Please refer to the sections headed "OFFEROR'S INTENTION ON THE COMPANY" and "PROPOSED CHANGE OF BOARD COMPOSITION" in the "Letter from Get Nice Securities" for detailed information on the Offeror's intention on the business and management of the Group. The Directors are aware of the intentions of the Offeror in respect of the Group and the proposed appointment of new Directors after the despatch of the Composite Document.

The Directors, though will resign after the close of the Offers, are willing to render reasonable co-operation with the Offeror during the Offer Period which is in the interests of the Company and the Shareholders as a whole.

The Directors would like to confirm the Shareholders that, despite the signing of the Sale and Purchase Agreement and Mr. Chan disposing of his interests in the Company, the intention of Chinook Holdings Limited, the private company as a result of the Distribution in Specie, as disclosed in the circular of the Company dated 12 January 2015 remains unchanged and an update letter has been sent to shareholders of Chinook Holdings Limited during April 2015. Mr. Chan continues to be the sole director of Chinook Holdings Limited and the private company is not conducting any business other than its involvement in the arbitration.

MAINTAINING THE LISTING STATUS OF THE COMPANY

As mentioned in the "LETTER FROM GET NICE SECURITIES", it is the intention of the Offeror to maintain the listing of Shares on the Stock Exchange after the close of the Offers, and each of the Offeror and the Company will undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offers to ensure that a sufficient public float exists for the Shares.

In the event that after the completion of the Offers, the public float of the Company falls below 25%, the Offeror and the Company will undertake to the Stock Exchange that they will take appropriate steps to restore the minimum public float as required under the Listing Rules as soon as possible following the close of the Offers to ensure that sufficient public float exists for the Shares.

The Stock Exchange has stated that if, upon closing of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend trading in the Shares until the prescribed level of public float is restored.

RECOMMENDATION

Independent Securities Holders are advised to read the recommendation of the Independent Board Committee set out on pages 28 to 29 of this Composite Document and the advice of the Independent Financial Adviser set out on pages 30 to 51 of this Composite Document before deciding on the actions to be taken on the Offers.

ADDITIONAL INFORMATION

Your attention is also drawn to the "LETTER FROM GET NICE SECURITIES" and the additional information contained in the appendices to this Composite Document and the accompanying Forms of Acceptance.

Yours faithfully
By Order of the Board
Enviro Energy International Holdings Limited



Chan Wing Him Kenny
Chairman and Chief Executive Officer