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Enviro Energy International Holdings Limited

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.enviro-energy.com.hk>

(Stock Code: 8182)

ANNOUNCEMENT

The Board is pleased to announce that TWE has provided project update and favourable results of laboratory tests in respect of its coalbed methane exploration activities at the Liuhuanggou Project in Xinjiang, the PRC.

The board (“**Board**”) of directors (“**Directors**”) of Enviro Energy International Holdings Limited (“**Company**”) is pleased to announce that TerraWest Energy Corp. (“**TWE**”), an indirect non wholly-owned subsidiary of the Company, has provided an update on its coalbed methane exploration activities at the Liuhuanggou Project in Xinjiang, the People’s Republic of China (“**PRC**”). TWE has received the results of analysis of samples taken during drilling in late 2008.

As previously reported, well LHG 08-03 intersected approximately 350 metres of Jurassic Badaowan (“**J1B**”) formation including a gas-bearing interval of approximately 170 metres before reaching total depth of 1,500 metres. Samples were taken from the drill cuttings produced while drilling the well from depths of 1,218-1,445 metres and initially placed in special canisters for analysis of desorbed gas content. These tests were conducted in the city of Urumqi by Xinjiang Coal Geological Bureau Laboratory.

Samples were then sent to The Lab Unit of the Exploration and Development Research Institute of Xinjiang Oil Company located in Karamay, Xinjiang where they were further analyzed for Total Organic Carbon (“**TOC**”) content and mineral composition which are key characteristics of gas-bearing formations. TOC represents the total amount of material available to convert to hydrocarbons in the rock and exerts a strong influence on the adsorption capacity of the rock.

Results of the lab tests indicate TOC in J1B samples ranging from 0.9 to 11% with five of the samples ranging from 4.30 to 11.03%. The mean TOC level in samples is 4.47%. These are considered very positive analysis results.

TOC is a fundamental attribute of gas-bearing formations and is a measure of present-day organic richness. Values in producing North American basins vary, typically ranging from 1-10%. TOC in the prodigious, gas-producing Fort Worth Basin in Texas, USA is reported as variable with an average of 4.5%.

Comparable Gas Basin TOC data:

Natural Gas Producing Basin	Age	Total Organic Content (TOC) %	Quartz (Si) %
Barnett – Fort Worth	Mississippian	1.0-4.5	>50
Ohio - Appalachian	Devonian	0.5-2.0	40-50
Marcellus - Appalachian	Devonian	3.0-10.0	>40
Lewis – San Juan	Cretaceous	0.5-2.5	>40
Fayetteville - Arkoma	Mississippian	4.0-9.5	>40
Antrim - Michigan	Devonian	0.5-20.0	40-50
Utica - Appalachian	Ordovician	1.0-3.1	>40
Badaowan - Junggar	Jurassic	1.0-11.0	40-50

Source: Conaccord Adams Inc., 2008; Canadian Society for Unconventional Gas, 2009; AJM consultants 2009; Energy Resources Conservation Board/Alberta Geological Survey 2009

Mineral composition is important in assessing the porosity of gas-bearing rocks, as well as the brittleness which affects the propensity for fracturing and stimulation of the reservoir prior to production. The mineral composition analysis of the J1B samples show quartz content of 36.59% to 53.85% with a mean value of 43.26% and a median value of 40.97%. Calcite and dolomite which contribute to brittleness, have mean values of 3.80% and 2.05% respectively. Clay content which affects porosity and adsorption capacity of the rock, ranges from 9.58% to 17.87% with a mean of 12.18%. The Liuhuanggou J1B analysis results are encouraging in this regard.

The J1B formation represents a unique hydrocarbon opportunity because it is potentially both a hydrocarbon source rock and a reservoir. The Junggar Basin is similar to producing basins in other regions where gas is generated and stored in formations in three ways: as adsorbed gas on the microscopic organic matter; as free gas in the pore space and coal cleats and as free gas along fractures in the surrounding rock.

TWE is continuing with the 2009 exploration program and further drilling and sampling activities were initiated. As previously reported TWE has continued a gas flow test started in late 2008 and has also initiated pre-piloting engineering in the form of completion designs for both the J1B and J2X formations.

TWE holds a 47% interest with China United Coalbed Methane Corp., Ltd. holding 53% in the Liuhuanggou Production Sharing Contract (“PSC”), the administration of which has recently been passed to PetroChina Coalbed Methane Company Ltd. Under the terms

of the PSC, TWE has the right to explore for, develop, produce and sell coalbed methane which is defined as gas stored in certain named Jurassic-age geological formations to a depth of 1,500 metres.

By Order of the Board
Enviro Energy International Holdings Limited
Chan Wing Him Kenny
Chairman and Chief Executive Officer

Hong Kong, 16 November 2009

As at the date of this announcement, the Directors are:

Executive Directors

Mr. Chan Wing Him Kenny
Dr. Arthur Ross Gorrell

Independent non-executive Directors

Mr. David Tsoi
Mr. Lo Chi Kit
Mr. Tam Hang Chuen

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the website of GEM at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days and the website of the Company at www.enviro-energy.com.hk.