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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

COMPLETION OF 2009 COALBED METHANE DRILLING AND TESTING PROGRAMS WITH IMAGES OF LIUHUANGGOU PROJECT

The Board is pleased to announce TWE's successful completion of the 2009 drilling, sampling and testing programs at the Liuhuanguo Project in Xinjiang, the PRC.

The board of directors ("**Directors**") of Enviro Energy International Holdings Limited ("**Company**") is pleased to announce that further to the project update provided on 16 November 2009, TerraWest Energy Corp. ("**TWE**"), an indirect non wholly-owned subsidiary of the Company, has reported that the 2009 drilling, sampling and testing programs at the Liuhuanguo Project in Xinjiang, the People's Republic of China ("**PRC**") have been successfully completed.

TWE completed three (3) coalbed methane ("**CBM**") test wells with total meterage of 2,316 metres (7,642 feet) on the Liuhuanguo Project acreage in December 2009. As previously reported, two (2) of the wells were planned to core complete sections of the Jurassic Badaowan ("**J1B**") formation in order to provide samples of all the prospective coal seams and surrounding geologic sequences in the J1B.

The third well was planned to drill and core the Jurassic Xishanyao ("**J2X**") formation for further testing of the very thick target coal seam.

All wells were completed as planned, on time and on budget. Multiple samples were taken for further analysis and the wells were geophysically logged. Further details of the drilling program results will be provided in due course.

The gas flow test at well LHG 08-01 was completed as planned. The pilot test was operated for over 30 continuous days and produced water and gas from a 30-metre (99 feet) section of the J2X coal seam at a depth of 750-780 metres (2,475-2,575 feet). As previously reported, well LHG 08-01 had been cased and cemented to the top of the target coal seam in 2008 and in the current test water and gas were pumped

from the open drill hole without any stimulation or fracturing of the coal seam. Gas was produced and flared.

Project management of the drilling was provided by Norwest Corporation under the direction of Dr. Yulin Li, senior resource scientist. TWE utilized local drilling contractors, mud loggers and geophysical contractors for the drilling assignment. The follow-up laboratory work will be provided by laboratories in Xinjiang, the PRC, Calgary, Canada and Salt Lake City, the United States.

The pilot gas flow test was managed by TWE's production engineer from Calgary, Canada and assisted by local production engineers. An experienced Xinjiang oilfield contractor provided a variety of support services and equipment. Norwest Corporation provided specialized **CBM** engineering consulting to the pilot operations.

All 2009 operations were completed injury-free.

TWE, as required under the Liuhuanguo CBM Production Sharing Contract ("PSC"), has now completed its initial phase exploration period obligation of drilling nine (9) exploration wells and has exceeded the minimum exploration period spending obligations to date. The next phase of exploration is drilling and operating pilot testing wells. TWE has already initiated pilot work by conducting the gas flow test and initiating engineering designs for pilot well completions in target formations.

A portfolio of photos from the 2009 campaign is available on the Company's website: www.enviro-energy.com.hk.

TWE is the operator of and holds a 47% interest with China United Coalbed Methane Corp., Ltd. holding 53% in the PSC. The PSC is located in the southern Junggar Basin of Xinjiang, the PRC and is administered by PetroChina Coalbed Methane Company Ltd. Under the terms of the PSC, TWE has the right to explore for, develop, produce and sell CBM which is defined as gas, mainly consisting of methane stored in certain named geologic formations of Jurassic age to a depth of 1,500 metres (approximately 5,000 feet) within the 653 square kilometres (255 square miles) area under the PSC.

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

Hong Kong, 18 January 2010

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 (“GEM”) of The Stock Exchange of Hong Kong Limited 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 from the date of publication and the website of the Company at www.enviro-energy.com.hk.