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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
ADVANCE TO AN ENTITY

This announcement is made pursuant to Rules 17.15 and 17.17 of the GEM Listing Rules which state the obligation for disclosure as the advanced amount exceeds 8% of the Group's Assets Ratio.

The Company will continue to comply with the relevant disclosure requirements according to Rule 17.22 of the GEM Listing Rules for so long as circumstances giving rise to such disclosure obligation continue to exist at the Company's respective quarterly period end, interim period end or annual financial year end.

The Assets Ratio of the Company is based on the total assets value dated 31 January 2007. As of 31 January 2007, the Company's total assets were HK\$2,198,224.

Reference is made to the announcements dated 10 April 2007, 25 May 2007, 22 June 2007 and 19 July 2007 (collectively, the "**Announcements**") made by Enviro Energy International Holdings Limited (the "**Company**") in respect of the Acquisition. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context otherwise required.

Pursuant to Rules 17.15 and 17.17 of the GEM Listing Rules, a disclosure obligation will arise where the relevant advance to an entity from the Group exceeds 8% under the assets ratio as defined under Rule 19.07(1) of the GEM Listing Rules (the "**Assets Ratio**"). As at 31 January 2007, the Company's total assets were HK\$2,198,224.

ADVANCES TO GLOBAL RICHLAND

As of 19 July 2007, an aggregate sum of HK\$13.6 million was advanced to Global Richland, as to HK\$3.6 million on 10 April 2007 pursuant to the Exclusivity Agreement and as to HK\$10 million on 19 July 2007 pursuant to the Supplemental Deed. The advances, which will form part of the consideration of the Acquisition, were unsecured, interest free and repayable if the Company decides not to proceed with the Acquisition or a legally binding sale and purchase agreement of share is not entered into on or before the expiry of the Extended Exclusivity Period. The details and the nature of the Acquisition are as announced in the Announcements. Since the unaudited total assets of the Group as of 31 January 2007 were HK\$2,198,224, the amount of advances exceeds the 8% threshold under the assets ratio as defined under Rule 19.07(1) of the GEM Listing Rules.

Pursuant to the Supplemental Deed, the Company had agreed to pay an additional refundable deposit of HK\$80 million to Global Richland within 60 days of the date of the Supplemental Deed, being 19 July 2007. Such HK\$80 million, if paid, together with HK\$13.6 million already paid by the Company to Global Richland, is refundable as aforesaid. The Company will negotiate with Global Richland to require such further deposit be held in escrow. If the Company fails to reach an agreement with Global Richland on that, the Company will publish an announcement under the requirements of the GEM Listing Rules.

GENERAL

The Company will continue to comply with the relevant disclosure requirements according to Rule 17.22 of the GEM Listing Rules for so long as circumstances giving rise to such disclosure obligation continue to exist at the Company's respective quarterly period end, interim period end or annual financial year end.

By order of the Board
Enviro Energy International Holdings Limited
Chan Wing Him Kenny
Chairman

Hong Kong, 20 July 2007

As at the date of this announcement, the executive Directors are Mr. Chan Wing Him Kenny and Mr. Chan Man Ching, and the independent non-executive Directors are Mr. Lo Chi Kit, Mr. Poon Lai Yin, Michael and Mr. Tam Hang Chuen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 GEM website 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.