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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**

**COMPANY MOVES FORWARD ON ENHANCED HYDROCARBON RECOVERY  
COMMENCEMENT OF CO<sub>2</sub> INJECTION AT ECBM PILOT PROJECT  
REALISATION OF ENVIRONMENTAL DEVELOPMENT STRATEGIES**

The Board is pleased to announce that injection of CO<sub>2</sub> into target coal seams at the site of the Project is scheduled to start in this week and also that the Company, CUCBM, and Petromin formally agreed to expand the pilot test area to over 1,150 acres and extend the term of the JV Agreement by executing the Supplemental Agreement.

The board (“**Board**”) of directors (“**Directors**”) of Enviro Energy International Holdings Limited (“**Company**”) is pleased to announce that injection of carbon dioxide (“**CO<sub>2</sub>**”) into target coal seams at the site of the Deep Un-mineable Coal CO<sub>2</sub> Sequestration and Enhanced Coalbed Methane (“**ECBM**”) Production Project (“**Project**”) in Shanxi, the People’s Republic of China (“**PRC**”) is scheduled to start in this week. Additionally, on 10 March 2010 the Company, China United Coalbed Methane Corp. Ltd. (“**CUCBM**”), and Petromin Resources Ltd. (“**Petromin**”) entered into a supplemental agreement (“**Supplemental Agreement**”) that formally (i) expanded the pilot test area to 1,152 acres (466 hectares or 5 square kilometers); and (ii) extended the term of their joint venture from 5 years to 5.5 years. The Supplemental Agreement is a supplement to a joint venture agreement dated 25 January 2008 (“**JV Agreement**”) in respect of the Project signed among the same parties.

The CO<sub>2</sub> injection process which begins with well monitoring, a short well workover and establishment of a CO<sub>2</sub> inventory at site, is scheduled to start following a period of shut-in which was initiated during the week of 22 March 2010. The well produced water and coalbed methane (“**CBM**”) for several weeks leading up to the shut-in.

The Company and Petromin contribute funding and specialized services to the Project as well as training to the Chinese party. A Company representative attended the well operations during the first quarter to assist start-up procedures, evaluate equipment and set up monitoring procedures.

The Project, operated by CUCBM, is located in the Shizhuang North area of Qinshui Basin of Shanxi Province which is one of the most prolific CBM producing areas in the PRC. The expanded Project area provides sufficient land area to test the CO<sub>2</sub> storage capacity of coal seams as well as the effectiveness of CO<sub>2</sub> as a driver of ECBM production and the extended term provides sufficient time to complete planned activities.

The CO<sub>2</sub> injection is the first ever such activity in the PRC to be undertaken under leadership of state-owned and private enterprises while being assisted by support and funding from the Chinese and Canadian governments. As announced by the Company on 9 December 2009, the Project has received matching funding support from the Canadian government under the auspices of the Asia-Pacific Partnership on Clean Development and Climate (“APP”), a seven-country effort to encourage clean energy developments in the region. The APP includes Canada, China, Australia, United States, India, Japan and Korea and the funding support clearly reflects the international significance of the Project. As an international collaboration that includes the Company from Hong Kong, Petromin from Canada and CUCBM from the PRC, the Project fully reflects the cooperative principles of the APP.

The Project has taken on added significance following the announcement by the central government of the PRC that the country will make notable reductions in greenhouse gas emissions, including CO<sub>2</sub>, in the foreseeable future. The Chinese government proposes, by 2020, to reduce carbon intensity — or the amount of CO<sub>2</sub> emitted per unit of economic output — by 40 to 45 percent compared with 2005 levels. CO<sub>2</sub> sequestration and storage in coal seams is expected to be an important element of Chinese and global emission reduction plans and clean-burning CBM production is being encouraged across the PRC. The Project has also received support from the Ministry of Science and Technology of the PRC.

The Board considers the Company’s investment in the Project to be a corporate initiative of strategic importance and enhanced hydrocarbon production utilizing CO<sub>2</sub> forms an important element of the Group’s business plans looking ahead.

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

Hong Kong, 21 April 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](http://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](http://www.enviro-energy.com.hk).*