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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)

2010 FIELD PROGRAM AND INITIATION OF PILOT CBM PRODUCTION PROGRAM FOR LIUHUANGGOU PROJECT

The Board is pleased to announce that TerraWest Energy Corp., a non-wholly owned subsidiary of the Company, reports approval of the 2010 field program and the initiation of work for the Liuhuanggou Project. They involve drilling and production testing of up to ten (10) pilot production wells, which are planned to produce coalbed methane from target coal seams as well as natural gas from shale. Pilot production will test large-scale production rates en route to full commercial development of the PSC area.

The board ("**Board**") of directors ("**Directors**") of Enviro Energy International Holdings Limited ("**Company**") is pleased to announce that TerraWest Energy Corp. ("**TWE**"), a non-wholly owned subsidiary of the Company, reports approval of the 2010 field program and the initiation of work for the Liuhuanggou Project ("**2010 Program**").

The Liuhuanggou Project, covering 653 square kilometres (255 square miles; 163,200 acres) in the southern Junggar basin of Xinjiang, the People's Republic of China ("**China**") operates under the a production sharing contract ("**PSC**") dated 30 December 2005 entered into between TWE and China United Coalbed Methane Corporation Limited ("**CUCBM**").

The 2010 Program involves drilling and production testing of up to ten (10) pilot production wells. The wells are planned to produce coalbed methane ("**CBM**") from target coal seams as well as natural gas from shale. TWE has completed the engineering design for well completions and expects to perforate and fracture (stimulate) target formations as part of the program. TWE will also initiate pilot testing at two (2) locations drilled previously. The LHG 08-01 and 08-03 wells are ready for testing and it is expected that the work will begin immediately. Pilot production will test large-scale production rates en route to full commercial development of the PSC area.

TWE holds the first and to date only fully-approved CBM PSC in Xinjiang which is considered to be among the most attractive CBM exploration areas in the world based on known coal resources and regional economic development plans of the central government of China. The 2010 Program will be the first CBM pilot production under a production sharing contract in western China.

Drilling contractors in China have been arranged and are mobilizing to the site at this time. In addition, service providers are arranging for the delivery of service rigs and associated equipment to initiate well testing at the two (2) existing wells. The Company has professionals in Xinjiang at present preparing for the program.

The 2010 Program was approved by the board of directors of TWE and subsequently approved by the joint management committee for the Liuhuanggou Project. The joint management committee includes executives from both TWE and PetroChina Coalbed Methane Company Ltd. (“PCCBM”).

As at the date hereof, the Company held approximately 64.98% of the current issued common shares and preferred shares in the capital of TWE, or approximately 74.25% of the issued common shares, preferred shares, warrants and options outstanding in the capital of TWE on a fully diluted basis, respectively. TWE holds a 47% interest in the PSC with CUCBM holding 53%. TWE operates and PCCBM administers the PSC. Under the terms of the PSC, CBM is defined as all gas stored in four (4) named geologic formations of Jurassic age to a depth of 1,500 meters.

China is actively encouraging the development of CBM and other unconventional natural gas and has put various policies in place to encourage investment and development of resources. The central government of China has also announced an aggressive policy of economic and energy development for the region of Xinjiang.

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

Hong Kong, 27 September 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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.