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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: 1102)

**SAMPLING AND ANALYSIS AT AN EXPLORATION WELL
DRILLED BEYOND 1,500 METRES DEPTH BY XINJIANG OILFIELD
WITHIN THE LIUHUANGGOU PROJECT AREA**

The Board is pleased to announce that TWE is in the process of taking samples for further analysis of prospective formations at an exploration well being drilled beyond 1,500 metres depth by Xinjiang Oilfield within the Liuhuanguo Project 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, is currently performing testing at an exploration well being drilled beyond 1,500 metres depth by Xinjiang Oilfield Company of PetroChina Company Limited (“**Xinjiang Oilfield**”) within the area of the Liuhuanguo coalbed methane (“**CBM**”) project (“**Liuhuanguo Project**”) in Xinjiang, the People’s Republic of China (“**China**”).

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

Xinjiang Oilfield agreed to allow TWE’s geologists to sample prospective Jurassic Badaowan (“**J1B**”) formation rocks to be intersected in its exploration well and such sampling is currently underway. TWE’s geologists will also have access to mud logs and geophysical logs and TWE will contribute to the coverage of the costs of acquiring all data utilised.

Samples of the target J1B formation will be analysed at selected laboratories after gas desorption testing.

TWE has indicated the arrangement reflects the co-operative spirit between the professional staff of TWE and Xinjiang Oilfield operating in Liuhuanggou.

The Company is pleased to see this type of arrangement between the two parties and it reflects a high degree of co-operation and the joint interest in the scientific data on the energy resource base of the southern Junggar Basin as well as the economic potential of the region.

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 is the Operator and holds a 47% interest in the PSC with CUCBM holding 53%. 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 metres.

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

Hong Kong, 17 January 2011

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