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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)*

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF POTENTIAL INVESTMENT IN RESOURCES BUSINESS IN SOUTHEAST ASIA AND UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS**

This announcement is made pursuant to Rule 13.09 of the Listing Rules to provide information on the Potential Investment.

The Board is pleased to announce that CCST, a wholly-owned subsidiary of the Company, has entered into the MOU with the Independent Third Party on 7 July 2011 (after trading hours) in respect of the Potential Investment.

**Shareholders and/or investors should note that the Potential Investment may or may not proceed, as no formal binding agreement has been executed between the parties and discussions are still in process. Accordingly, Shareholders and/or investors are advised to exercise caution when dealing in the Shares. Further announcement in respect of the Potential Investment will be made in accordance with all applicable requirements of the Listing Rules as and when appropriate.**

The Board has also noted the increase in the price and the trading volume of the Shares, and wishes to state that save as disclosed herein, the Board is not aware of any reasons for such unusual movements.

This announcement is made pursuant to Rule 13.09 of the Listing Rules to provide information on the Potential Investment.

## THE MOU

The Board is pleased to announce that CCST, a wholly-owned subsidiary of the Company, has entered into the MOU with the Independent Third Party on 7 July 2011 (after trading hours) in respect of, among other things, the potential investment in a company which is engaged in, among others, resources business in Southeast Asia. Pursuant to the MOU, CCST shall pay the Independent Third Party a refundable deposit of US\$2.5 million and the parties agreed to set up working groups, conduct due diligence work and other necessary work for the purpose of finalising the Potential Investment.

## INFORMATION ON THE GROUP

The Group is principally engaged in investment holding and development of natural resources with a focus on upstream hydrocarbons including conventional oil, unconventional natural gas and state-of-the-art oil and gas related enhanced production technologies.

The Group's business plan and investment strategy focus on the vast resource potential and expanding market for resources of the Asia Pacific region with current projects located in China. In executing its business plan, the Company actively reviews new opportunities in natural resources, resources-related projects and new business relationships throughout the region that can drive return through high leverage capital investment, in both operated and non-operated projects.

The Potential Investment covered by the MOU has been targeted to maximise shareholder value by providing excellent capital leverage with the added prospect of expanding the Company's investment portfolio, market penetration and geographic scope.

## GENERAL

If a formal agreement is entered into, it is expected that the Potential Investment may constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. In this regard, the Company will comply with, where applicable, the reporting, disclosure and/or Shareholders' approval requirements under the Listing Rules.

**Shareholders and/or investors should note that the Potential Investment may or may not proceed, as no formal binding agreement has been executed between the parties and discussions are still in process. Accordingly, Shareholders and/or investors are advised to exercise caution when dealing in the Shares. Further announcement in respect of the Potential Investment will be made in accordance with all applicable requirements of the Listing Rules as and when appropriate.**

## UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

This statement is made at the request of the Stock Exchange.

The Board has also noted the increase in the price and the trading volume of the Shares, and wishes to state that save as disclosed herein, the Board is not aware of any reasons for such unusual movements.

The Board further confirms that, save as disclosed herein, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this statement.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors;
“CCST”	CCST Singapore Pte. Ltd., a wholly-owned subsidiary of the Company;
“Company”	Enviro Energy International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company, its subsidiaries and jointly-controlled entity;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MOU”	the non-legally binding memorandum of understanding relating to the Potential Investment entered into between CCST and the Independent Third Party on 7 July 2011 (after trading hours);
“Potential Investment”	the potential investment in a company which owns resources-related assets in Southeast Asia by CCST;
“Independent Third Party”	Hugo Link Global Investments Ltd., an independent third party of the Company;
“Share(s)”	the share(s) of HK\$0.0025 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong; and  
“US\$” United States dollars, the lawful currency of the United States of America.

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

Hong Kong, 7 July 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