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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)

**2012 FIELD PROGRAM OF THE LIUHUANGGOU CBM PROJECT**

The Company is pleased to announce that TWE is moving forward with exploration activities in the field at its Liuhuanggou CBM project in Xinjiang, China.

Enviro Energy International Holdings Limited (“**Company**”) is pleased to announce that TerraWest Energy Corp. (“**TWE**”), a non wholly-owned subsidiary of the Company, is moving forward with exploration activities in the field at its Liuhuanggou coalbed methane (“**CBM**”) project (“**2012 Field Program**”) in Xinjiang, The People’s Republic of China (“**China**”). The 2012 Field Program involves drilling, casing and completing production wells at two key selected locations.

Drilling at well LHG12-02 is expected to begin on 2 November 2012. The well is located in the vicinity of previously drilled well LHG10-02 which intersected multiple gas-bearing Jurassic Badaowan (J1B) coal seams and shale. The control well for the 2010 well was a coring drill-hole which provided core samples for testing and analysis in China and North America. Several gas-bearing targets were identified based on the sampling and analysis results.

Well LHG12-02 is located such that a multiple pilot production configuration can be considered in the future. Completion of the well and any subsequent testing of target coal seams and formations will follow after evaluation of results.

Drilling at location LHG12-01 will follow in due course. Well LHG12-01 is located in the vicinity of previously drilled well LHG10-01 which intersected over 65 metres of gas-bearing Jurassic Xishanyao (J2X) coal seams during the 2010 field program. Well LHG 10-01 was successfully tested in early 2011 and produced water and gas from coal seams over a three-month period. The location of well LHG12-01 is such that the hydrogeology of the target coal seams can be further evaluated and tested relative to the previously drilled well. Completion of the well and any subsequent testing of target coal seams and formations will follow after evaluation of results.

The well locations are accessible by existing paved highways and side roads and any required side road upgrade work is currently underway using local contractors. It is expected that CBM drilling operations will run for several weeks.

Earlier field programs included geological reconnaissance and mapping, coring drill-holes, pilot production wells and testing. As previously reported, an independent third party evaluation according to reporting standard National Instrument 51-101 Standards of

Disclosure for Oil and Gas Activities (NI 51-101) provided gross (100%) estimates of CBM Discovered Gas Initially in Place contained in the target coal seams within a defined area ranging from (low) 70.00 billion cubic feet (“**Bcf**”) to (best) 147.43Bcf to (high) 514.07 Bcf.

A further independent third party evaluation according to the Petroleum Resources Management System (PRMS) of the Society of Petroleum Engineers (SPE) estimated a (gross) grand total Best Estimate Original Gas in Place (OGIP) of 11.825 trillion cubic feet (“**Tcf**”) of natural gas and grand total OGIP Low Estimate of 7.179 Tcf; and a High Estimate of 19.185 Tcf. This updating evaluation covered the target coal seams outside the previously evaluated area and all other prospective formations for the entire PSC (hereinafter defined) area.

TWE holds a 47% interest in and is the operator of the Liuhuanguo CBM production sharing contract (“**PSC**”) located in the Junggar Basin of Xinjiang, China. China National Petroleum Corporation (“**CNPC**”) holds the remaining 53% of the PSC. The PSC is now administered by PetroChina Coalbed Methane Company Ltd., an indirect subsidiary of CNPC. The PSC covers 653 square kilometres (255 square miles) and is located adjacent to the city of Urumqi, the capital of Xinjiang Uyghur Autonomous Region, China.

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

Hong Kong, 1 November 2012

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