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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)

FURTHER UPDATE ON THE TWE-CNPC LIUHUANGGOU CBM PROJECT

The Company was advised today by TWE that following a significant period during which no clarification was provided by CNPC, TWE has deemed the matter an unresolved dispute and has issued notice to CNPC of referral to arbitration under the terms and conditions of the PSC.

Reference is made to the announcement of Enviro Energy International Holdings Limited (“**Company**”) dated 17 June 2013 on the seeking of written clarification by TerraWest Energy Corp. (“**TWE**”), a non wholly-owned subsidiary of the Company, from China National Petroleum Corporation (“**CNPC**”) regarding the coalbed methane (“**CBM**”) fairway lands within the Liuhuanguou CBM production sharing contract (“**PSC**”).

Following a significant period during which no clarification was provided by CNPC, TWE has deemed the matter an unresolved dispute and has issued notice to CNPC of referral to arbitration under the terms and conditions of the PSC. TWE has indicated its actions are intended to protect the interests of its shareholders and potential economic benefits from the project.

TWE is a private, British Columbia, Canada (BC) incorporated company, registered under the BC Business Corporations Act. In addition to the Company, TWE has a substantial portion and a significant number of Canadian shareholders. TWE holds a 47% interest in and is the operator of the Liuhuanguou CBM PSC located in the Junggar Basin of Xinjiang, China. CNPC holds the remaining 53% of the PSC according to the PSC Modification Agreement executed and approved by the Ministry of Commerce of the People’s Republic of China in 2011.

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

Hong Kong, 6 September 2013

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