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CHINA ENVIRONMENTAL RESOURCES GROUP LIMITED

中國環境資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1130)

PROPOSED CONSOLIDATION OF SHARES

Reference is made to the announcement of China Environmental Resources Group Limited (the “Company”) dated 14 October 2011 in respect of the proposed capital reorganisation (the “Capital Reorganisation”).

The board of directors (the “Board”) of the Company proposes to implement the share consolidation (the “Share Consolidation”) under which every 20 issued and unissued shares of HK\$0.05 each (or HK\$0.001 each upon the completion of the Capital Reorganization announced on 14 October 2011) of the Company will be consolidated into one Consolidated Share of HK\$1 each (or HK\$0.02 each upon completion of the Capital Reorganization).

Further details of the Share Consolidation (including an expected timetable and trading arrangements) will be announced as soon as possible.

By Order of the Board of
China Environmental Resources Group Limited
Kam Yuen
Chairman

Hong Kong, 17 February 2012

As at the date of this announcement, the Board comprises three executive directors, namely Ms. Kam Yuen (Chairman and Chief Executive Officer), Mr. Kwok Wai, Wilfred and Mr. Leung Kwong Choi; and three independent non-executive directors, namely Mr. Cheung Ngai Lam, Mr. Wong Kwai Sang and Mr. Christopher David Thomas.