

26 July 2016

China New Energy Limited
(“CNE” or “the Company”)

Signing of IPPA in Zambia

The Board of CNE (AIM:CNEL), the AIM quoted engineering and technology solutions provider to the bioenergy sector, notes the press commentary in relation to Sunbird Bioenergy Africa Limited (“Sunbird”) and the Investment Promotional and Protection Agreement (“IPPA”).

The Company is pleased to learn that Sunbird and the Zambian Development Agency have signed the IPPA, a key milestone in the commencement of the Zambian project.

The Company notes, however, that there are a number of other project milestones which need to be concluded prior to it entering into a formal agreement with Sunbird to commence construction of the Zambian project.

The Company will provide a further update to the market in due course.

For further information, please visit www.chinanewenergy.co.uk or contact:

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