

29 March 2017

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

Contract to Build an Ethanol Plant in Ghana

The Board of CNE (AIM:CNEL), the AIM quoted engineering and technology solutions provider to the bioenergy sector, is pleased to announce that it has won a number of contracts with Supercare Group Limited of Ghana and CNBM General Machinery Co., Ltd in China to construct a new ethanol plant in Ghana.

The contract are in relation to the building of a cassava-to-ethanol plant in Ghana that will have a production capacity of 45 million litres of ethanol per annum. The ethanol will primarily be used by the food industry. The scope of the contract is to design and supply the ethanol processing equipment for the project and to work with a local EPC contractor to install the equipment and commission the plant.

The total value of the contracts to CNE are, in aggregate, approximately USD \$12.5m that will be paid in accordance with agreed milestones. The project is scheduled to commence in May 2017 and the project is forecast to be commissioned in Q1 2018.

Mr Yu, Chairman of CNE commented, “We are delighted to win these contracts with Supercare Group which will be our first projects with them in Africa. The confirmed orders from COFCO and Supercare Group comprise a significant order book for 2017 and we anticipate being able to recognise much of that revenue this year. The board is very pleased that our decision to market our products and services to the African market is now paying dividends and we look forward to continued success”.

The information contained within this announcement constitutes inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014.

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