

23 October 2017

China New Energy Limited

(“CNE” or “the Company”)

Grant of Options

The Board of CNE (AIM:CNEL), the AIM quoted engineering and technology solutions provider to the bioenergy sector, announces the implementation of two unapproved share option schemes and the grant of an aggregate of 39,300,508 options (“the Options”) to acquire ordinary shares in Company at a price of 1.5 pence per share subject to vesting conditions under these schemes.

A total of 27,633,167 of the Options, representing 5.624 per cent of the current issued share capital, have been granted under a scheme put in place for the long term incentive of directors and senior employees of the Company and its subsidiaries. Under the terms of the scheme, options vest immediately and expire on the third anniversary. Of the 27,633,167 options granted under this scheme, 15,351,760 options, representing 3.124 per cent. of the current issued share capital, have been granted to Directors and PDMRs as follows:

Option Holder	Role	Number of Options Granted	Grant of Options as percentage of issued share capital	Expiry date
Mr Yu Weijun	Director	3,070,352	0.625%	20/10/2020
Mr Tang Zhaoxing	Director	3,070,352	0.625%	20/10/2020
Mr Richard Bennett	Director	3,070,352	0.625%	20/10/2020
Mr Nick Brooks	Director	3,070,352	0.625%	20/10/2020
Mr Cen Delin	PDMR	1,535,176	0.312%	20/10/2020
Ms Xu Huijuan	PDMR	1,535,176	0.312%	20/10/2020
Total		15,351,760	3.124%	

The remaining 11,667,341 of the Options, representing 2.375 per cent. of the current issued share capital, have been granted to employees of the Company and its subsidiaries under an employee incentive and retention scheme. Such options vest as to one third on the date of grant and an additional one third on each of the first and second anniversaries of the date of grant and are exercisable for a period of three years.

All existing options and warrants have expired. Accordingly, following the grant of the Options, the Company will have a total of 39,300,508 outstanding options, representing 8.00 per cent. of the current issued share capital which comprises 491,256,350 ordinary shares of 0.025p each.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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

China New Energy Limited

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Richard Bennett
Ivy Xu

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Jo Turner / Sandy Jamieson

Tel: +44 20 7213 0880

Daniel Stewart and Company (Broker)

David Lawman

Tel: +44 20 7776 6550

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014						
1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Mr Yu Weijun				
2 Reason for notification						
a.	Position/Status	Director				
b.	Initial notification/ Amendment	Initial notification				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	China New Energy Limited				
b.	LEI	N/A				
4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted						
a.	Description of the financial instrument, type of instrument Identification Code	Common Shares of no par value ISIN: JE00B3RWLF12				
b.	Nature of the transaction	Grant of Options				
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s) per share</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>1.5 pence exercise price</td> <td>3,070,352</td> </tr> </tbody> </table>	Price(s) per share	Volume(s)	1.5 pence exercise price	3,070,352
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e.	Date of the transaction	20 October 2017				
f.	Place of the transaction	London AIM				

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1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Mr Tang Zhaoxing				
2 Reason for notification						
a.	Position/Status	Director				
b.	Initial notification/ Amendment	Initial notification				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	China New Energy Limited				
b.	LEI	N/A				
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a.	Name	Mr Richard Bennett				
2 Reason for notification						
a.	Position/Status	Director				
b.	Initial notification/ Amendment	Initial notification				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	China New Energy Limited				
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a.	Name	Mr Nick Brooks				
2 Reason for notification						
a.	Position/Status	Director				
b.	Initial notification/ Amendment	Initial notification				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	China New Energy Limited				
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a.	Name	Mr Cen Delin				
2 Reason for notification						
a.	Position/Status	PDMR				
b.	Initial notification/ Amendment	Initial notification				
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a.	Name	China New Energy Limited				
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a.	Name	Ms Xu Huijuan				
2 Reason for notification						
a.	Position/Status	PDMR				
b.	Initial notification/ Amendment	Initial notification				
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