SINO-ENV MAKES FURTHER INROAD INTO ENVIRONMENTAL SOLUTION FOR POWER PLANTS – SECURES RIGHTS TO MANUFACTURE DENOX CATALYSTS

The Board of Directors of Sino-Environment Technology Group Limited (the “Group” or “SINO-ENV”) is pleased to announce that on 7 April 2008, Sino-ENV has through its wholly-owned subsidiary, Fujian Thumb Environmental Facilities Co., Ltd. ("Fujian Facilities"), successfully secured the agreement (the “Agreement”) with Catalysts & Chemicals Industries Co., Ltd. (“CCIC”) for the transfer of technology pertaining to the production of catalysts for deployment in de-nitrogenation (“deNOx”) of flue gas for coal-fired power plants. The Agreement provides for close technical exchange and cooperation between the Group and our technical partner, CCIC. The Group's ability in securing world class technical partnership with CCIC is a testimony to our commitment to continuing technical innovation and excellence. This cooperation with a world class technology partner, CCIC marks an important milestone in SINO-ENV’s strategy in positioning the Group in the environmental solution for power plants in the People’s Republic of China ("PRC"). Our Group’s ability to deliver world class deNOx catalysts through the cooperation with CCIC, will enhance our marketing strategy for our network of IPP customers.

The Group will roll-out the initial production facilities at our Fuzhou Plant. The initial design of the facilities for production of deNOx honeycomb-type catalysts will allow annual capacity of 6,000m³. Future expansion of our production capacity is anticipated in tandem with the future growth in deNOx environmental solution. The plant will be operational in 1Q2009.

The Group will manufacture deNOx honeycomb-type catalysts for use in the Group’s own deNOx projects as well as for sale to third party environmental solution providers in the PRC.

Based on the initial capacity of 6,000m³, the Group expects revenue contribution of about RMB300 million in 2009. For 2009, the Group expect to invest RMB265 million in capital expenditure including royalty fees.

CCIC is a fully owned subsidiary of JGC Corporation (1963.T), a corporation listed on Tokyo Stock Exchange ("JGC"). JGC is a leading environmental and chemical engineering contractor, provides engineering and construction services for plant and facilities projects in Japan and internationally. It operates in two segments, Total Engineering, and Catalysts and Chemical Products. The Total Engineering segment offers design, procurement, construction, and performance test services of machinery and plants for petroleum, petroleum refining, petrochemicals, gas, chemicals, nuclear energy, metal refining, biochemical, food, pharmaceuticals, medical, logistics, information technology, environment conservation, and pollution control. The Catalysts and Chemical Products segment manufactures and distributes...
catalysts and chemical products, including fluid catalytic cracking catalysts, hydrotreating catalysts, deNOx catalysts, and petrochemical catalysts; and new functional material products, such as colloidal silica, coating materials for surface treatment on cathode ray tubes, material for semiconductors, cathode materials, and cosmetic products. JGC also has operations in the PRC, Indonesia, Malaysia, the Philippines, Thailand, Singapore, Oman, Qatar, Bahrain, Saudi Arabia, Algeria, Nigeria, Libya, Australia, Kazakhstan, Venezuela, and the United States. The company was founded in 1928. It was formerly known as Japan Gasoline Co., Ltd. and changed its name to JGC Corporation in 1976. JGC is based in Yokohama, Japan. Quoted from www.jgc.co.jp/en, please refer to www.jgc.co.jp/en for further information on JGC.

CCIC possesses advanced technologies for producing the catalysts used in fluid catalytic cracking units, which JGC has an enviable track record of constructing. In recent years, the company has expanded into the manufacture and sale of fine chemicals such as cosmetic materials based on catalytic nanotechnology, semiconductor materials, and anti-bacterial materials. It holds major shares in world markets for high performance coating materials used with ophthalmic plastic lenses. It possesses the world’s most advanced technologies used in interlayer dielectric materials, titania materials for photo-voltaic batteries, and flat panel display materials. Quoted from www.jgc.co.jp/en, please refer to www.ccicj.com for further information on CCIC.

Other than as disclosed, the Agreement is not expected to have a material financial impact on the net tangible asset and earnings per share of the Group for the current financial year ending 31 December 2008.

None of the Directors or controlling shareholders of the Group has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company.

Sun Jiangrong
Executive Chairman & Chief Executive Officer
7 April 2008

*The initial public offering of the shares in the capital of Sino-Environment Technology Group Limited was sponsored by Genesis Capital Pte Ltd (“Genesis”). Genesis assumes no responsibility for the contents of this announcement.*