

22 September 2014

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

Subscription and Issue of Equity

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 raised funds of approximately £594,766 by way of a subscription of ordinary shares in the Company.

The Company has issued 44,652,107 ordinary shares representing 11.34 per cent of the enlarged issued share capital, at a price of 1.332p per share. The new ordinary shares have been acquired by Jet-Air (HK) Limited, a subsidiary of a Hong Kong listed entity China Best Group Holding Limited. The additional funds raised will provide the Company with additional working capital for current projects.

Mr Yu, Chairman, commented, “We welcome this investment that will assist CNE in driving forward our current pipeline of projects.”

Issue of Equity

Application has been made for the 44,652,107 new ordinary shares to be admitted to trading on AIM which is expected on or around 29 September 2014. Following this issue of equity, the issued share capital of the Company will be 393,614,208. The new ordinary shares will rank pari passu with the existing ordinary shares.

In accordance with the Financial Conduct Authority's Disclosure and Transparency Rules, the Company hereby announces that it has 393,614,208 ordinary shares of 0.025p each in issue, each share carrying the right to one vote. The Company does not hold any ordinary shares in treasury.

The above figure of 393,614,208 ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

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

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