



United Envirotech Ltd

(Company Registration Number: 200306466G)

United Envirotech Ltd secured a contract to build and operate Wastewater Treatment Cum Recycling plant in Hegang City, Heilongjiang Province

The Board of Directors of United Envirotech Ltd. (“UEL” or the “Company”) is pleased to announce that it has secured a contract to build and operate a membrane-based wastewater treatment cum recycling plant in Hegang City, Heilongjiang Province, China. The concession period covered under the BOT is 30 years.

Hegang is a city blessed with ample natural resources. It is one of the four “Coal Capitals” in China. Its graphite deposit is ranked number one in Asia and it has a rich precious metal reserves including 30 tons of gold reserve. Currently, the population residing in Hedong’s city area is about 0.8 million.

Under the terms of the project, United Envirotech will construct wastewater treatment plant with a total capacity of 160,000 m³/day. The plants will be constructed in two phases, 80,000m³/day each for phase 1 and phase 2.

The wastewater treatment plant will use United Envirotech’s proprietary Membrane Bio-reactor (MBR) Technology. A portion of the treated wastewater of 30,000m³/day will be sold directly to neighboring industries as high grade recycled water.

Commenting on the significance of the project, Dr Lin Yucheng, Chairman and CEO of United Envirotech said: “The project in Hegang is a good fit to our investment strategy. We have been looking for investment opportunities in wastewater treatment plants with recycling component. Our MBR technology is able to treat wastewater treatment and produce high grade recycled water in a single step. MBR is one of the most cost effective technologies available for wastewater treatment and recycling. By treating wastewater and recycling it, we enjoy double revenue streams and better returns for our investment.”

The total investment for the project is estimated to be RMB 145 million for phase 1 with common facilities and will be funded by the proceeds from the recent share placement and bank loans.

None of the Directors and controlling Shareholders has any interest, direct and indirect in the Proposed Acquisition.

BY ORDER OF THE BOARD

Dr Lin Yucheng
Chairman and CEO

23 October 2009