



China Clean Energy Inc.

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FOR IMMEDIATE RELEASE

China Clean Energy's Jiangyin Plant Construction Delayed

Fuqing City, China – October 23, 2008 -- China Clean Energy Inc. (OTC Bulletin Board: CCGY.OB) (“China Clean Energy” or the “Company”) today announced that start-up of its Jiangyin plant has been delayed and that commercial production at the plant is not expected to commence until the second quarter of 2009.

As previously disclosed, in connection with its January 15, 2008 private placement, certain members of the Company's management deposited an aggregate of 1.5 million shares of common stock into an escrow account, which shares shall be disbursed, pro rata, among the private placement investors should (i) the Company fail to begin the production of biodiesel at its currently proposed production facility in Jiang Yin, People's Republic of China on or before January 1, 2009 or (ii) the Company fail to achieve at least \$14,000,000 of adjusted net income during 2009. As a result of the construction delay, the Company now plans to disburse the 1.5 million shares to private placement investors before the end of January 2009. The aforementioned share distribution will not be dilutive to existing shareholders and will have no impact on the Company's cash position or operating results.

Commenting, Tai-ming Ou, the Company's Chairman and CEO said, “We are very disappointed by this delay. Until recently, we believed that most or all of the time slippage related to weather and engineering difficulties could be overcome, but that is no longer the case.”

About China Clean Energy:

China Clean Energy, through its wholly-owned subsidiaries, Fujian Zhongde Technology Co., Ltd. and Fujian Zhongde Energy Co., Ltd, is engaged in the development, manufacturing, and distribution of specialty chemical products made from renewable resources.

Safe Harbor Statement

This announcement contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact in this announcement are forward-looking statements, including but not limited to, the Company's ability to raise additional capital to finance the Company's activities; the effectiveness, profitability, and the marketability of its products; legal and regulatory risks associated with the share exchange; the future trading of the common stock of the Company; the ability of the Company to expand its production capacity; Company's ability to secure raw material feedstock supplies; the period of time for which its current liquidity will enable the Company to fund its operations; the Company's ability to protect its proprietary information; general economic and business conditions; the volatility of the Company's operating results and financial condition; the Company's ability to attract or retain qualified senior management personnel and research and development staff; and other risks detailed in the Company's filings with the Securities and Exchange Commission. These forward-looking statements involve known and unknown risks and uncertainties and are based on current expectations, assumptions, estimates and projections about the Company and the industry. The Company undertakes no obligation to update forward-looking statements to reflect subsequent occurring events or circumstances, or to changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward looking statements are reasonable, they cannot assure you that their expectations will turn out to be correct, and investors are cautioned that actual results may differ materially from the anticipated results.

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