



## China Clean Energy Inc.

*For Immediate Release*

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### **China Clean Energy Completes \$15 Million Private Placement Financing**

**Fuqing City, China -- January 10, 2008** -- China Clean Energy Inc. (OTC Bulletin Board: CCGY.OB) (“China Clean Energy”, “the Company”), a leading producer of biodiesel fuel and environmentally-friendly specialty chemical products made from renewable resources in The People’s Republic of China (“PRC”), today announced that on January 9, 2008 it closed the private placement of 10,000,000 shares of the Company’s common stock with certain accredited investors at a price of \$1.50 per share for aggregate gross proceeds of \$15 million. In connection therewith, the Company issued warrants to purchase up to 5,000,000 shares of its common stock, at an exercise price of \$2.00 per share. The proceeds will be used to build a 100,000 metric ton biodiesel plant at Jiangyin Industrial Park and for general corporate purposes. Westminster Securities Corp. acted as placement agent for the financing.

At the closing of this private placement financing, certain stockholders of the Company deposited an aggregate of 1.5 million shares of common stock into an escrow account, which shares shall be disbursed, pro rata, among the 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.

“We are extremely pleased to announce the closing of this financing which marks an important milestone for China Clean Energy as it allows us to access additional low cost bank debt to fund our biodiesel capacity expansion plans, and to significantly accelerate the growth of our business in the quarters ahead,” commented Mr. Tai-ming Ou, China Clean Energy’s Chairman and Chief Executive Officer.

The shares and warrants have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

The Company has agreed to file a registration statement with the United States Securities and Exchange Commission covering the shares of common stock and the shares underlying the warrants sold in the offering no later than forty-five days after the closing, and use its best efforts to have the registration statement declared effective as soon as practicable thereafter.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction.

### **About China Clean Energy:**

China Clean Energy, through its wholly-owned subsidiary, Fujian Zhongde Technology Co., Ltd., is engaged in the development, manufacturing, and distribution of biodiesel fuel and specialty chemical products made from renewable resources. Since its inception, the Company has been engaged in the manufacture of high-quality specialty chemical products from renewable resources. Through its research and development efforts, the Company developed a proprietary process for refining biodiesel fuel from waste grease and certain vegetable oils. Using this proprietary process, China Clean Energy began producing biodiesel in 2005 and commenced selling biodiesel commercially starting in December 2005.

### **About Westminster Securities:**

Westminster Securities Corporation is a full service brokerage firm operating in five principal areas: Investment Banking, Research, Account Management, Execution Services, and Clearing Services. Founded in 1971, Westminster is a member of the New York Stock Exchange, the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Westminster is headquartered at 100 Wall Street, New York, with branch offices in Atlanta, Cyprus, Miami, New York, Spokane and St. Louis. More information can be found at [www.westminstersecurities.com](http://www.westminstersecurities.com)

### *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; the Company's ability to successfully expand its production capacity, 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 companies 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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