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Shenzhen Dongjiang Environmental Company Limited*
深圳市東江環保股份有限公司

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 08230)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Shenzhen Dongjiang Environmental Company Limited (the “Company”) will be held at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the People's Republic of China (the “PRC”) on Thursday, 21 October 2010 at 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

SPECIAL RESOLUTIONS

(1) “**THAT**

- (i) the provision of guarantee by the Company to licensed bank(s) in the PRC against the entire facility amounting to RMB40,000,000 to be provided to Shenzhen Dongjiang Environmental Resource Recycling Co., Ltd. (深圳市東江環保再生資源有限公司), a wholly-owned subsidiary of the Company, be approved;
- (ii) the provision of guarantees by the Company to licensed bank(s) in the PRC against the entire facilities amounting to RMB120,000,000 to be provided to Shenzhen Dongjiang Environmental Renewable Energy Co., Ltd. (深圳市東江環保再生能源有限公司), a wholly-owned subsidiary of the Company, be approved;
- (iii) the provision of guarantee by the Company to licensed bank(s) in the PRC against the entire facility amounting to RMB66,000,000 to be provided to Qianyuan Dongjiang Environmental Technology Co., Ltd. (清遠市東江環保技術有限公司), a wholly-owned subsidiary of the Company, be approved;

* *For identification purpose only*

- (iv) the provision of guarantee by the Company to licensed bank(s) in the PRC against the facility amounting to RMB50,000,000 to be provided to Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd. (深圳市龍崗區東江工業廢物處置有限公司), a non-wholly owned subsidiary of the Company, be approved;
- (v) the provision of guarantee by the Company to licensed bank(s) in the PRC against the facility amounting to RMB150,000,000 provided to Shaoguan Green Resource Recycling Development Co., Ltd. (韶關綠然再生資源發展有限公司), a non-wholly owned subsidiary of the Company, be approved;
- (vi) the provision of guarantee by the Company to licensed bank(s) in Hong Kong against the entire facility amounting to RMB20,000,000 (or its Hong Kong dollars equivalent) to be provided to Lik Shun Services Limited (力信服務有限公司), a wholly-owned subsidiary of the Company, be approved; and
- (vii) the provision of guarantee by the Company to licensed bank(s) in the PRC against the entire facility amounting to RMB20,000,000 to be provided to Beijing Novel Environmental Protection Co., Ltd. (北京永新環保有限公司), a non-wholly owned subsidiary of the Company, be approved,

and the board of directors of the Company be authorised to take all such actions and execute all such documents or instruments for and on behalf of the Company as necessary or expedient and make arrangement for all specific matters relating to, in connection with, or to effect, the provision of the guarantees set out in paragraphs (i) to (vii) above, so far as permitted by the applicable laws and regulations.”

(2) **“THAT**

- (i) the proposed issue of the short-term commercial papers (the **“Commercial Papers”**) of the Company in the PRC with an aggregate principal amount not exceeding RMB300,000,000 on the following principal terms be approved:

Issuer	:	The Company
Place of issue	:	The PRC
Issue size	:	An aggregate principal amount not exceeding RMB300,000,000, which shall be issued in one or multiple tranches according to the actual capital requirements of the Company
Term	:	Not more than 1 year since the date of issue
Interest rate	:	The interest rate will be determined according to the relevant regulatory requirements and market conditions at the time of issue

Use of proceeds : The Company intends to apply the proceeds from the proposed issue of the Commercial Papers to supplement its general working capital, and to repay outstanding indebtedness of the Company

- (ii) the board of directors of the Company be generally and unconditionally authorised to deal with all matters relating to or in connection with the issue of the Commercial Papers, including but not limited to the following:
- (a) to determine the details of the issue of the Commercial Papers and to formulate and implement special plan for the issue of the Commercial Papers, including but not limited to, the size of issue not exceeding RMB300,000,000, the timing of issue, the issue price, the maturity and method of repayment of the principal amounts and interest, the interest rates or the determination mechanism thereof, the provision of guarantee, any repurchase or redemption provision, the specific arrangement of use of proceeds within the scope approved in the meeting;
 - (b) to make all necessary and incidental arrangements for the issue of the Commercial Papers (including but not limited to preparation and dissemination of relevant application documents to regulatory authorities, obtaining approvals from such regulatory authorities, engaging intermediaries, determination of underwriting arrangements);
 - (c) to make all necessary arrangements for the implementation of the issue of the Commercial Papers, including but not limited to the signing and execution of all relevant and requisite agreements, instruments and other documents and the disclosures of relevant information in accordance with applicable laws, regulatory or security rules;
 - (d) in case of any change in regulatory policies or market conditions, to adjust the specific issue proposals relating to the issue or other related matters according to the opinion of regulatory authorities; and
 - (e) take all such actions as necessary or expedient and to determine and make arrangement for all specific matters relating to or in connection with the issue of the Commercial Papers,

so far as permitted by the applicable laws and regulations and taking into account the specific needs of the Company and the market conditions.

The authority grant will remain effective for 12 months commencing from the date on which this resolution is passed.”

By Order of the Board
Shenzhen Dongjiang Environmental Company Limited*
Zhang Wei Yang
Chairman

Shenzhen, the PRC, 6 September 2010

Notes:

- (a) The registers of members of the Company in Hong Kong will be closed from Tuesday, 21 September 2010 to Thursday, 21 October 2010 (both days inclusive) during which no transfer of shares will be effected. For the identification of Shareholders who are qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the PRC (for holders of domestic shares), or the Company's H shares registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (for holder of H shares) not later than 4:00 p.m. on Monday, 20 September 2010.
- (b) A form of proxy for use at the meeting is enclosed herewith. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the register of members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
- (c) Whether or not you are able to attend the EGM, you are requested to complete the enclosed reply slip and form of proxy in accordance with the instructions printed thereon and return it to the Company at 11th Floor, Dongjiang Environmental Building, No.9 Langshan Road, Nanshan District, Shenzhen, the PRC (for holders of domestic shares), or to the Company's H share' registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) as soon as possible but in any event for the reply slip, before Friday, 1 October 2010, and for the proxy form, not less than 24 hours before the time appointed for the holding of the EGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting (as the case may be) should you so wish.
- (d) If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
- (e) Shareholders and their proxies should produce identity proof when attending the EGM.
- (f) The EGM is not expected to last for more than half a day. Shareholders and their proxies shall be responsible for their own traveling and accommodation expenses for attending the EGM.

As at the date of this notice, the board of director (the "Directors") of the Company comprises three executive Directors, being Mr. Zhang Wei Yang, Mr. Chen Shu Sheng and Mr. Li Yong Peng; three non-executive Directors, being Mr. Feng Tao, Mr. Wu Shui Qing and Ms. Sun Ji Ping; and three independent non-executive Directors, being Mr. Ye Ru Tang, Mr. Hao Ji Ming and Mr. Liu Xue Sheng.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this notice misleading.

This notice will remain on the website of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited at <http://www.hkgem.com> on the "Latest Company Announcements" page for 7 days from the date of its posting, and on the Company's website at <http://www.dongjiang.com.cn> from the date of publication.

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