

For Immediate Release

Zhaoheng Hydropower Holdings Limited raises US\$57 million Olympus Capital Holdings Asia and Zhaoheng International as Key Investors

Hong Kong, 14 July 2009 — Zhaoheng Hydropower Holdings Limited (“Zhaoheng Hydropower” or the “Company”), one of the leading consolidators in the hydropower generation sector in China, announced the completion of a US\$57.5 million capital raising led by Olympus Capital Holdings Asia (“Olympus Capital”). Olympus Capital’s funds, Asia Environmental Partners, L.P. (“AEP”) and Olympus Capital Asia III, L.P., led the capital raising, with Zhaoheng International (“ZHI”) also committing US\$10 million.

The Company currently owns and operates small and medium hydro assets with a total installed capacity of approximately 200 MW and expects to install and acquire hydropower assets with a total capacity of 1,000 MW over the next five years. Hydropower is a critical component of China’s renewable energy policy as China possesses significant undeveloped hydropower potential.

These new equity commitments from Olympus Capital and ZHI will enable the Company to substantially increase activities in development and acquisition of operating hydropower facilities in China, especially in provinces such as Hunan, Hubei, Yunnan and Guizhou, where hydropower resources are abundant. Macquarie Capital (Hong Kong) Limited is the exclusive financial advisor to the Company on this transaction.

Mr. Guosheng Xu, Chairman and CEO of Zhaoheng Hydropower, stated, “The hydropower sector, as a clean energy source, has grown at a tremendous pace in China over the past few years. The collaboration with Olympus Capital marks a significant milestone for the Company’s strategy of growth through acquisitions.

Olympus Capital has a strong focus on clean energy and environmental services sectors. The collaboration with Olympus Capital brings to us not just equity capital, but also vision and insight in the industry. Together with our highly experienced management team and our successful track record, I’m confident that the Company is best positioned as a dominant player in China’s small and medium sized hydropower industry.”

Mr. Frederick Long, Founding Managing Director of Olympus Capital, commented, “Zhaoheng Hydropower has the industry and local expertise necessary to capitalize on the significant and growing opportunities in the small and medium hydropower sector in China. The Company offers a strong platform for the consolidation of the hydropower sector, which China’s renewable energy policy strongly supports. With a strong mandate from our global investor base to invest in the environmental sector in China and other parts of Asia, Olympus Capital is pleased to partner with ZHI in supporting an emerging sector which will provide a sustainable supply of energy with very competitive costs. Our investment in Zhaoheng Hydropower represents our fifth private equity investment in Asia’s renewable energy and environmental services sector.”

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About Olympus Capital

Olympus Capital Holdings Asia is an independent investment management firm focused on long-term equity investments in companies operating in Asia. Since its establishment in 1997, Olympus Capital has committed approximately US\$1.3 billion to 30 companies throughout Asia. Olympus Capital has a regional platform with experienced investment and operational professionals based in Shanghai, Hong Kong, New Delhi, New York, Seoul, and Tokyo. Current investments in China include China Zhongwang (which completed the largest public listing in Hong Kong to date by issuance size in 2009), China Minzhong and Emeishan Special Cement. A key investment focus of Olympus Capital is renewable energy and environmental services, including waste management, water treatment, energy efficiency, pollution control and prevention and carbon programs.

More information on Olympus Capital is available at: www.olympuscap.com

About Asia Environmental Partners

Olympus Capital established Asia Environmental Partners, L.P. (the “Fund” or “AEP”) in 2008 to target the fast-growing renewable energy and environmental services industries in Asia. These industries are experiencing strong long-term growth as increasing public awareness and government regulation begin to focus attention on Asia’s significant environmental and natural resource challenges. AEP has dedicated investment and operational professionals throughout Asia with executives based in Hong Kong, New Delhi, and New York. Olympus has to date invested in five renewable energy and environmental sectors including: waste management, wind power support services, small scale renewable power projects, and carbon credits.

About Zhaoheng Hydropower Holdings Limited:

Zhaoheng Hydropower Holdings Limited, through its wholly-owned subsidiaries in mainland China, is engaged in the generation and supply of hydropower in China. The Company focuses on hydropower stations with an installed capacity between 5-100 MW and currently owns eleven facilities in Hunan, Hubei, Guizhou and Yunnan Provinces with a total installed capacity of approximately 200 MW. The Company treats the cascade development of river basins as a priority and is committed to push forward the development of clean and renewable energy industry in China.

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Safe Harbour

Some of the statements in this press release that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections, anticipated trends in our industry as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update or revise these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in China and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.