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CHINA GRAND FORESTRY GREEN RESOURCES GROUP LIMITED

中國林大綠色資源集團有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 00910)

COMPLETION OF PLACING

Placing Agent



KINGSTON SECURITIES LIMITED

The Placing

The Board is pleased to announce that all conditions set out in the Placing Agreement have been fulfilled and the Placing was completed on 10 September 2009 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 1,110,000,000 Placing Shares, representing approximately 16.86% of the issued share capital of the Company as enlarged by the Placing as at the date of this announcement, have been successfully placed to not fewer than six placees, who and whose ultimate beneficial owners are third parties independent of and not connected with the Company or any Director, chief executive or substantial shareholders of any member of the Group or any associate of them or any connected persons (as defined in the Listing Rules) of the Company, at the Placing Price of HK\$0.265 per Placing Share.

Reference is made to the announcement of the Company dated 2 September 2009 (the “**Announcement**”) in relation to the Placing under the General Mandate. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

The Board is pleased to announce that all conditions set out in the Placing Agreement have been fulfilled and the Placing was completed on 10 September 2009 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 1,110,000,000 Placing Shares, representing approximately 16.86% of the issued share capital of the Company as at the date of this announcement, have been successfully placed to not

fewer than six placees, who and whose ultimate beneficial owners are third parties independent of and not connected with the Company or any Director, chief executive or substantial shareholders of any member of the Group or any associate of them or any connected persons (as defined in the Listing Rules) of the Company, at the Placing Price of HK\$0.265 per Placing Share. The net proceeds from the Placing amount to approximately HK\$286.7 million and the net proceeds raised per Share upon completion of Placing will be approximately HK\$0.258.

None of the Placees became a substantial Shareholder (as defined in the Listing Rules) of the Company as a result of the Placing.

The table below set out the changes to the shareholding structure of the Company as a result of completion of the Placing:

	Immediately before the Placing		As at the date of this announcement	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Mr. Ng Leung Ho (<i>note</i>)	970,900,000	17.74%	970,900,000	14.75%
Public:				
Placees	–	0.00%	1,110,000,000	16.86%
Other public shareholders	4,500,815,600	82.26%	4,500,815,600	68.39%
	<u>5,471,715,600</u>	<u>100.00%</u>	<u>6,581,715,600</u>	<u>100.00%</u>

Note: As at the date of this announcement, Mr. Ng Leung Ho, the chairman and an executive Director of the Company, is beneficially interested in an aggregate of 970,900,000 Shares comprising (i) corporate interest in 960,000,000 Shares held through Golden Prince Group Limited, which is wholly owned by Mr. Ng Leung Ho; and (ii) personal interest in 10,900,000 Shares.

By order of the Board
China Grand Forestry Green Resources Group Limited
Ng Leung Ho
Chairman

Hong Kong, 10 September 2009

As at the date of this announcement, the board of directors of the Company comprises Mr. Ng Leung Ho, Ms. Cao Chuan, Ms. Lee Ming Hin, Mr. Cheung Wai Tak, Mr. Cheng Shouheng, Mr. Sun Yan and Mr. Pang Chun Kit being the executive Directors and Mr. Lo Cheung Kin, Mr. Zou Zi Ping and Mr. Zhu Jian Hong being the independent non-executive Directors.