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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

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 19 January 2010 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 1,316,000,000 Placing Shares, representing approximately 16.64% 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 are not connected persons of the Company and its connected persons, at the Placing Price of HK\$0.26 per Placing Share.

Reference is made to the announcement of the Company dated 30 November 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.

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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:

	As at the date of the Announcement		As at the date of this announcement	
	Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
Non-public Shareholders				
Best China limited (<i>Note 1</i>)	900,000,000	13.65	880,000,000	11.13
Pang Chun Kit (<i>Note 2</i>)	3,950,000	0.06	3,950,000	0.05
Zhu Jian Hong (<i>Note 3</i>)	1,500,000	0.02	1,500,000	0.02
Public Shareholders				
The Placees	–	–	1,316,000,000	16.64
Other public Shareholders	5,686,265,600	86.27	5,706,265,600	72.16
	<u>6,591,715,600</u>	<u>100.00</u>	<u>7,907,715,600</u>	<u>100.00</u>

Notes:

- 1: Best China limited is wholly owned by Dr. Chu Yuet Wah (“Dr. Chu”), who is one of the beneficial owners of the Placing Agent. In addition, Kingston Corporate Finance Limited, which is an associate of Dr. Chu, holds 10,000,000 Share Options.
- 2: Pang Chun Kit, being an executive Director. In addition, Pang Chun Kit holds 22,000,000 Share Options.
- 3: Zhu Jian Hong, being an independent non-executive Director. In addition, Zhu Jian Hong holds 3,000,000 Share Options.

By order of the Board
China Grand Forestry Green Resources Group Limited
Tse On Kin
Chairman

Hong Kong, 19 January 2010

As at the date of this announcement, the Board of Directors of the Company comprises of Mr. Tse On Kin and Mr. Pang Chun Kit being the executive Directors and Mr. Zhu Jian Hong, Dr. Wong Yun Kuen, Mr. Chan Chi Yuen and Ms. Xu Lei being the independent non-executive Directors.