



CHINA GRAND FORESTRY RESOURCES GROUP LIMITED

中國林大資源集團有限公司

(Incorporated in Bermuda with limited liability)

**China Grand Forestry Agrees a Partnership with The Prince's Charities Foundation
and Announces Plans to Implement Green Business Practices**

(Hong Kong, 12 February 2007) **China Grand Forestry Resources Group Limited** ("CH GRAND FOREST" or the "Group") (SEHK: 910) announced that it has entered into a partnership with The Prince's Charities Foundation, a group of charities founded by HRH The Prince of Wales.

The purpose of the partnership is to share knowledge that will enable CH GRAND FOREST to begin implementing *green* business practices in its afforestation operations and to help the Group manage its business activities more sustainably.

According to the terms of the partnership, each party will make a series of contributions and commitments to help CH GRAND FOREST enhance its business operations with *green* business practices. CH GRAND FOREST will commit:

- (a) to substitute the wood timber used in its products with alternative materials. The Group undertakes that within 5 years of the signing of the partnership, a minimum of 80% of its total products will be replaced with alternative materials;
- (b) to grow a minimum of 2 million hectares of wood-producing forests within 5 years of the signing of the partnership;
- (c) to invest a minimum of HK\$100 million into the development of clean-energy alternative materials that can be used to replace fossil fuels;
- (d) to pro-actively share the Group's experience with The Prince's Charities Foundation and its partners.

The Prince's Charities Foundation, through its various charitable organisations, including Business and the Environment, Business in the Community and The Prince's Rainforests Programme, will commit:

- (a) to assist CH GRAND FOREST to improve its impact on the environment and to share green solutions and business models from around the world with CH GRAND FOREST;
- (b) to create awareness and to develop expertise within CH GRAND FOREST to help understand the challenges and opportunities that might arise from the need for more sustainable development;
- (c) to share knowledge and expertise gained from The Prince's Rainforests Project which might assist the Group in its intention to reduce its impact on forests;
- (d) to introduce, wherever possible, individuals or institutions that might help the Group achieve its aims.

The partnership is part of CH GRAND FOREST's enhanced business strategy to gradually transition from a traditional producer of timber-based products into a *new age* producer of "green" timber products—timber-based products that use materials instead of natural wood over the next five years.

Ms. Chuan Cao, Vice Chairman of CH GRAND FOREST commented, "This partnership represents the beginning of a new growth phase—a green growth phase—for our company. We are proud to have the opportunity to work with His Royal Highness and the leaders at The Prince's Charities Foundation. We believe that their experience and expertise in the area of environmental protection will help us become a leading producer of clean-energy products in the coming five years."

- End -

About The Prince's Charities Foundation

The Prince's Charities Foundation is a group of not-for-profit organisations of which HRH. The Prince of Wales is a Patron. It is the largest multi-cause charitable enterprise in the United Kingdom, with non-profit activities across a broad range of areas, including: opportunity and enterprise, education, health, the built environment, responsible business, the natural environment and the arts.

About China Grand Forestry Resources Group Limited (SEHK: 910)

China Grand Forestry Resources Group Ltd., formerly Good Fellow Group Limited, is a Hong Kong-based apparel company. The Group is presently dedicated to developing its operations in the ecological forestry business. The Group's ecological forestry operations are mainly carried out by Beijing Wan Fu Chun Forest Resources Development Company Limited (Beijing WFC), a wholly-owned subsidiary of the Group.

Released by the **Elite Communications Group Limited** for and on behalf of **China Grand Forestry Resources Group Limited**. For further information, please contact:

Media Relations

Ms. Priscilla Wong / Mr. Danny Cheng

Tel: (852) 3183 0236 / 3183 0233

Fax: (852) 2583 9138

Email: priscilla.wong@prasia.net / danny.cheng@prasia.net

Investor Relations:

Ms. Cindy Xin / Ms. Gloria Chan

Tel.: 3183 0226 / 3183 0227

Fax: 2155 9165

Email: cindy.xin@ccgelite.com / gloria.chan@ccgelite.com