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Kanstar Environmental Paper Products Holdings Limited

建星環保紙品控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8011)

RESIGNATION AND APPOINTMENT OF QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

The Board wishes to announce that Mr. Kwong Ping Man has resigned as the qualified accountant and the company secretary of the Company with effect from 23 July 2007 for his own career development.

The Board is pleased to announce that Mr. Darrell Bryce Sham will be appointed as the qualified accountant and the company secretary of the Company with effect from 23 July 2007.

RESIGNATION AND APPOINTMENT OF QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

The board of the directors (the “Board”) of Kanstar Environmental Paper Products Holdings Limited (the “Company”) together with its subsidiaries wishes to announce that Mr. Kwong Ping Man (“Mr. Kwong”) has resigned as the qualified accountant and the company secretary of the Company with effect from 23 July 2007 for his own career development, and Mr. Kwong has confirmed that he has no disagreement with the Board and there are no matters regarding to his resignation which need to be brought to the attention of the shareholders of the Company.

The Board further announces that Mr. Darrell Bryce Sham will be appointed as the qualified accountant and the company secretary of the Company with effect from 23 July 2007.

Mr. Darrell Bryce Sham

Mr. Darrell Bryce Sham (“Mr. Sham”), aged 45, holds a bachelor degree in commerce from the University of New South Wales (Sydney, Australia) and a master degree in business administration from the MacQuarie University (Sydney, Australia). Mr. Sham is a member of the Institute of Chartered Accountants in Australia and the Hong Kong Institute of Certified Public Accountants.

* *For identification purposes only*

Mr. Sham has over 24 years of experience in commercial accounting, banking, auditing and business process redesign. Mr. Sham has worked as Regional Financial Controller in a multi-national company, Director of Finance and Administration of a regional logistics firm, Analyst in an international bank, Audit Manager in a big six accounting firm and Principal Consultant in an international consulting firm. Mr. Sham is currently the Managing Director of Shen LaRoche Corporate Services (HK) Limited, a company principally engaged in business process redesign and market entry and Shen LaRoche Corporate Services (HK) Limited, a company principally engaged in corporate services and accounting services. Prior joining the Company, Mr. Sham was the qualified accountant and the company secretary of MP Logistics International Holdings Limited which is a company listed on the Growth Enterprise Market of the Stock Exchange.

GENERAL

The Board would like to take this opportunity to express its appreciation to Mr. Kwong for his contributions to the Company during his terms of services and also express its warmest welcome to Mr. Sham.

By order of the Board
Kanstar Environmental Paper Products Holdings Limited
Kuai Wei
Executive Director

Hong Kong, 20 July 2007

As at the date of this announcement, Mr. Chim Kim Kiu, Jacky, Mr. Sun Tak Keung, Mr. Cheng Kwok Hing, Andy and Mr. Kuai Wei are executive Directors; and Mr. Chan Chi Hung, Anthony, Mr. Wan Hon Keung and Mr. Wang Ai Guo are independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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