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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)

**RESIGNATION OF DIRECTORS, CHAIRMAN OF THE BOARD,  
MEMBER OF EACH OF THE AUDIT COMMITTEE, REMUNERATION  
COMMITTEE AND  
NOMINATION COMMITTEE, CHAIRMAN OF THE REMUNERATION  
COMMITTEE AND COMPANY SECRETARY  
APPOINTMENT OF CHAIRMAN  
OF THE BOARD, INDEPENDENT NON-EXECUTIVE DIRECTOR, MEMBER  
OF EACH OF THE AUDIT COMMITTEE, NOMINATION COMMITTEE  
AND REMUNERATION COMMITTEE, CHAIRMAN OF THE  
REMUNERATION COMMITTEE AND COMPANY SECRETARY**

The Board announces the following resignation of Directors, Chairman of the Board, member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee, Chairman of the Remuneration Committee and Company Secretary and the appointment of the Chairman of the Board, Independent Non-Executive Directors, member of each of the Audit Committee, Nomination Committee and Remuneration Committee, Chairman of the Remuneration Committee and Company Secretary with effect from 31 December 2010:

- (1) Mr. Tse On Kin has resigned as an executive director, the Chairman of the Board, and authorised representative in order to pursue other personal development and business opportunity;
- (2) Ms. Xu Lei has resigned as an independent non-executive director, and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee and Chairman of the Remuneration Committee in order to pursue other personal development and business opportunity;
- (3) Mr. Pang Chun Kit, currently an executive director, has resigned the company secretary and has been appointed as the Chairman of the Board;

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| <p>(4) Mr. Yu Pak Yan, Peter, has been appointed as an independent non-executive director and member of each of the Audit Committee, Nomination Committee and Remuneration Committees and Chairman of the Remuneration Committee; and</p> <p>(5) Mr. Chi Chi Hung, Kenneth, has been appointed as the company secretary and authorised representative.</p> |
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The board (the “**Board**”) of directors (the “**Directors**”) of China Grand Forestry Green Resources Group Limited (the “**Company**”) announces the following resignation of Directors, Chairman of the Board, member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee, Chairman of the Remuneration Committee and Company Secretary and the appointment of the Chairman of the Board, Independent Non-Executive Directors, each of the member of Audit Committee, Nomination Committee and Remuneration Committee, Chairman of the Remuneration Committee and Company Secretary with effect from 31 December 2010.

#### **RESIGNATION OF DIRECTORS**

With effect from 31 December 2010, (1) Mr. Tse On Kin has resigned as an executive director, the Chairman of the Board, and authorised representative in order to pursue other personal development and business opportunity. Mr. Tse On Kin has been appointed as consultant of the Company with effect from 1 January 2011. (2) Ms. Xu Lei has resigned as an independent non-executive director, and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee and the Chairman of the Remuneration Committee in order to pursue other personal development and business opportunity (collectively, the “**Resigning Directors**”).

All the Resigning Directors have confirmed that (i) they had no claim against the Company in respect of fees or in respect of compensation for loss of office and there is no disagreement between each of them and the Board; and (ii) there is no matter relating to their resignation that needs to be brought to the attention of The Stock Exchange of Hong Kong Limited and the holders of the shares of the Company.

The Board would like to take this opportunity to express its sincere gratitude to all the Resigning Directors of their valuable contribution to the Company during their tenure of office.

#### **RESIGNATION OF COMPANY SECRETARY AND APPOINTMENT OF CHAIRMAN OF THE BOARD**

The Board announces that Mr. Pang Chun Kit, currently an executive director, has resigned the company secretary and has been appointed as the Chairman of the Board.

**Mr. Pang Chun Kit**, aged 37, was appointed as an executive director on 1 January 2009 and company secretary on 20 September 2010. He is also authorised representative of the Company and directors of several subsidiaries of the Company. He has over ten year's experience in auditing, financial, merger and acquisition, corporate restructure, fund raising and investor relationship work. Mr. Pang graduated from the Hong Kong Polytechnic University with a Bachelor degree in Accountancy. He is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom, Mr. Pang was the former chief financial officer and joint company secretary of Lingbao Gold Company Ltd. (Stock code: 3330), the shares of which are listed on The Stock Exchange of Hong Kong Limited, and the former audit manager of Deloitte Touche Tohmatsu.

Save as disclosed above, Mr. Pang has not held any other position with the Company or any of its subsidiaries, nor did Mr. Pang hold any directorships in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed above, Mr. Pang has no other major appointments and professional qualifications.

Mr. Pang has entered into a service contract with the Company for a term of 3 years from 1 January 2009 and is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director remuneration and allowance of Mr. Pang is HK\$800,000 per annum, which was determined with reference to his duties and responsibilities in this role. He is also entitled to a discretionary bonus and reasonable out-of-pocket expenses.

Mr. Pang is not connected with any directors, senior management or substantial shareholders or controlling shareholders of the Company, and as at the date of this announcement, Mr. Pang was deemed to be interested in 25,950,000 shares of the Company, among which were share options to subscribe for 6,000,000 new shares in the Company, exercisable at a price of HK\$0.98 per share, share options to subscribe for 6,000,000 new shares in the Company, exercisable at a price of HK\$0.39 per share, and share options to subscribe for 10,000,000 new shares in the company, exercisable at a price of HK\$0.295 per share both of which were granted pursuant to the Company's existing share option scheme, as adopted by the Company's shareholders in the Company's annual general meeting held on 23 November 2001. Mr. Pang also held 500,000 shares in the Company as beneficial owner and was deemed to be interested in 3,450,000 shares of the Company held by his spouse within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

There is no information which is required to be disclosed pursuant to Rule 13.51(2)(h)-(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the **Listing Rule**").

Save as disclosed, the Board is not aware of any other matter that is considered necessary to be brought to the attention of the shareholders of the securities of the Company regarding the appointment of Mr. Pang as Chairman of the Board.

Mr. Pang has also confirmed that (i) he had no claim against the Company in respect of fees or in respect of compensation for loss of office of company secretary and there is no disagreement between him and the Board; and (ii) there is no matter relating to his resignation of company secretary that needs to be brought to the attention of The Stock Exchange of Hong Kong Limited and the holders of the securities of the Company.

**APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR, MEMBER OF EACH OF AUDIT COMMITTEE, NOMINATION COMMITTEE AND REMUNERATION COMMITTEE, AND CHAIRMAN OF REMUNERATION COMMITTEE**

The Board announces that Mr. Yu Pak Yan, Peter (“**Mr. Yu**”) has been appointed as independent non-executive director, and member of each of the Audit Committee, Nomination Committee and Remuneration Committee, and Chairman of Remuneration Committee.

**Mr. Yu**, aged 59, has over 28 years of experience in real estate and financial services industries. Mr. Yu has a Bachelor Degree in Management from Youngstown State University in Ohio, USA and a Master of Science Degree in Financial Services from American College in Pennsylvania, USA. Mr. Yu is a member of the Certified Commercial Investment Member Institute and was the first Chinese-American elected to the board of the San Francisco Association of Realtors. Mr. Yu worked in Pacific Union Real Estate Company in the United States from 1980-1995 and held senior positions in MetLife and New York Life Insurance Company in managing Asian customers in North America. Mr. Yu is also an executive director of Kong Sun Holdings Limited (Stock code: 295) and an independent non-executive director of Golden Resorts Group Limited (Stock code: 1031) and M Dream Inworld Limited (Stock code: 8100), the issued shares of which are listed on the Main Board or the Growth Enterprise Market of the Stock Exchange (“**GEM**”).

Mr. Yu has been appointed for an initial term of 3 years subject to retirement and re-election at the next annual general meeting of the Company (thereafter retirement by rotation) pursuant to the bye-laws of the Company. The annual emolument of Mr. Yu is yet to be determined and a service contract will be entered into between the Company and Mr. Yu shortly. The remuneration of Mr. Yu will be determined by the remuneration committee of the Company and the Board by reference to his duties and responsibilities with the Company.

Save as disclosed, Mr. Yu did not hold any directorships in other public company listed in Hong Kong or overseas in the last three years or any other position with the Company or any of its subsidiaries. As at the date of this announcement, save as disclosed herein, Mr. Yu is not connected with any other directors, senior management or substantial shareholders or controlling shareholders of the Company and do not have any interest or

short position in the shares, underlying shares or debentures of the Company or any its associated corporations within the meaning of Part XV of the SFO.

There is no information which is required to be disclosed pursuant to Rule 13.51(2)(h)-(v) of the Listing Rules.

Save as disclosed, the Board is not aware of any other matter that is considered necessary to be brought to the attention of the shareholders of the securities of the Company regarding the appointment of Mr. Yu as independent non-executive director, member of each of the Audit Committee, Nomination Committee and Remuneration Committee, and Chairman of Remuneration Committee.

### **APPOINTMENT OF COMPANY SECRETARY AND AUTHORISED REPRESENTATIVE**

The Board is also pleased to announce that, Mr. Chi Chi Hung, Kenneth (“**Mr. Chi**”) currently an executive director, has been appointed as the company secretary and authorised representative of the Company.

**Mr. Chi**, aged 42, was appointed as an executive director on 19 May 2010, he has over 18 years of experience in accounting and financial control. He holds a bachelor’s degree in accountancy from the Hong Kong Polytechnic University, and was admitted as a fellow member of the Association of Chartered Certified Accountants in the United Kingdom, an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of the Hong Kong Institute of Chartered Secretaries and an associate member of the Institute of Chartered Secretaries and Administrators in the United Kingdom. Mr Chi is currently an executive director of Hua Yi Copper Holdings Limited (stock code: 559), Morning Star Resources Limited (Stock Code: 542), and M Dream Inworld Limited (stock code: 8100), the issued shares of which are listed on the Main Board and **GEM** respectively. Mr Chi is also an independent non-executive director of ZMAY Holdings Limited (stock code: 8085) and Aurum Pacific (China) Group Limited (stock code: 8148), the issued shares of which are listed on GEM. Save for the aforesaid, Mr Chi did not hold any directorships in the three years immediately preceding the date of this announcement in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

By order of the Board  
**China Grand Forestry Green Resources Group Limited**  
**Pang Chun Kit**  
*Chairman*

Hong Kong, 31 December 2010

*As at the date of this announcement, the Board of Directors of the Company comprises of Mr. Pang Chun Kit, Mr. Lau Man Tak and Mr. Chi Chi Hung, Kenneth being the executive Directors and Dr. Wong Yun Kuen, Mr. Chan Chi Yuen and Mr. Yu Pak Yan, Peter being the independent non-executive Directors.*