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CHINA FORESTRY HOLDINGS CO., LTD.

中國森林控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 930)

**(1) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR,
MEMBER OF THE AUDIT COMMITTEE, NOMINATION COMMITTEE
AND REMUNERATION COMMITTEE;**

AND

**(2) RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR,
MEMBERS OF THE AUDIT COMMITTEE, NOMINATION
COMMITTEE AND REMUNERATION COMMITTEE**

The board of directors (the “**Board**”) of China Forestry Holdings Co., Ltd. (the “**Company**”) is pleased to announce that Dr. Liu Yongping (“**Dr. Liu**”) has been appointed as an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of the Company; and Mr. Zhu Demiao (“**Mr. Zhu**”) has resigned as an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of the Company. Both appointment and resignation above have taken effect on 18 September 2012.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR, MEMBER OF THE AUDIT COMMITTEE, NOMINATION COMMITTEE AND REMUNERATION COMMITTEE

The Board is pleased to announce that Dr. Liu has been appointed as an independent non-executive director of the Company, with effect from 18 September 2012. Dr. Liu has also been appointed as a member of the audit committee, nomination committee and remuneration committee of the Company, with effect from 18 September 2012.

Dr. Liu, aged 57, is a practicing solicitor in Hong Kong and a consultant of a firm of solicitors in Hong Kong. Dr. Liu has more than 18 years of experience in the capital market and merger and acquisition legal services sector. Dr. Liu graduated from the University of London with a

master's degree in law in 1987 and from the University of Oxford with a doctor's degree in philosophy in 1994. Apart from his appointment with the Company, Dr. Liu has been acting as an independent non-executive director of Yue Da Mining Holdings Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 629), since June 2010. Dr. Liu has also been acting as an independent non-executive director and chairman of the remuneration committee of JF Household Furnishings Limited, a company listed on the main board of the Stock Exchange (Stock Code: 776), since August 2011. Save as disclosed above, Dr. Liu has not held any other directorships in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

Dr. Liu has entered into a service contract with the Company for an initial term of 3 years commencing from 18 September 2012 which may be terminated by either party furnishing written notice of not less than 3 months and in any event subject to rotation, retirement and re-election at annual general meeting pursuant to the articles of association of the Company. Dr. Liu is entitled to a directors' remuneration of HKD400,000 per annum. Dr. Liu's remuneration is determined with reference to the market conditions and his experience and qualification.

Save as disclosed above, Dr. Liu has no relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company nor does he have any other interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and there are no other matters that need to be brought to the attention of the Shareholders and no other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR, MEMBER OF AUDIT COMMITTEE, NOMINATION COMMITTEE AND REMUNERATION COMMITTEE

The Board announces that Mr. Zhu has resigned as an independent non-executive director of the Company, with effect from 18 September 2012. Mr. Zhu has also resigned as a member of the audit committee, nomination committee and remuneration committee of the Company, with effect from 18 September 2012. Mr. Zhu has resigned from the Board because he needs more time to attend to his other business endeavors. The Board and Mr. Zhu confirm that they have no disagreement with each other and that there are no matters relating to Mr. Zhu's resignation that need to be brought to the attention of the Shareholders.

GENERAL

The appointment of Dr. Liu and the resignation of Mr. Zhu have taken effect on 18 September 2012.

The Board would like to take this opportunity to thank Mr. Zhu for his contribution to the Company during his directorship and to express its warm welcome to Dr. Liu in joining the Board.

By Order of the Board of
China Forestry Holdings Co., Ltd.
Li Kwok Cheong
Chairman

Hong Kong, 18 September 2012

As at the date of this announcement, the executive directors of the Company are Mr. Li Kwok Cheong and Mr. Lin Pu, the non-executive directors of the Company are Mr. Xiao Feng, Mr. Li Zhi Tong and Mr. Meng Fanzhi, and the independent non-executive directors of the Company are Mr. Liu Can, Dr. Liu Yongping and Ms. Hsu Wai Man, Helen.