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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)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of China Grand Forestry Green Resources Group Limited (the “**Company**”) will be held at 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong at 10:00 a.m. on Wednesday, 30 November 2011 for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution:

SPECIAL RESOLUTION

- “**THAT** subject to (i) the fulfillment of all the conditions set out in the section headed “Conditions of the Capital Reorganisation” in the circular of the Company dated 7 November 2011 (the “**Circular**”), a copy of which has been produced to the meeting marked “A” and initialled by the Chairman for the purpose of identification, with effect from 9:00 a.m. on Thursday, 1 December 2011 Hong Kong time (the “**Effective Date**”):
- (a) every twenty (20) issued and unissued shares of HK\$0.10 each in the share capital of the Company be consolidated into one (1) share of HK\$2.00 (the “**Consolidated Share**”) in the share capital of the Company (the “**Share Consolidation**”), and any fractional entitlements to the then issued Consolidated Shares resulting from the Share Consolidation shall be aggregated and sold in the form of Consolidated Shares for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Directors**”) may think fit;
 - (b) subject to and forthwith upon the Share Consolidation taking effect, the issued share capital of the Company be reduced by canceling the paid up capital to the extent of HK\$1.99 on each of the then issued Consolidated Shares on the Effective Date such that the nominal value of all the issued Consolidated Shares will be reduced from HK\$2.00 to HK\$0.01 each (the “**Capital Reduction**”);
 - (c) subject to and forthwith upon the Capital Reduction taking effect, each of the authorized but unissued Consolidated Shares (including those arising from the Capital Reduction) be sub-divided into two hundred (200) shares of HK\$0.01 each (the “**Subdivision**”);

- (d) the credit arising from the Capital Reduction be transferred to the contributed surplus account of the Company where it will be utilized by the Directors in accordance with the bye-laws of the Company and all applicable laws of Bermuda, including without limitation to set-off against the accumulated losses of the Company (the “**Credit Application**”); and
- (e) the Directors be and are hereby authorised to do all things and acts and sign all documents which they consider necessary, desirable, or expedient in connection with the implementation of the Share Consolidation, the Capital Reduction, the Subdivision and the Credit Application.”

By order of the Board
China Grand Forestry Green Resources Group Limited
Chi Chi Hung, Kenneth
Executive Director and Company Secretary

Hong Kong, 7 November 2011

Head office and Principal place of business in Hong Kong:
Unit 3309, 33rd Floor, West Tower
Shun Tak Centre
168–200 Connaught Road Central
Hong Kong

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, on a poll, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company’s Hong Kong branch registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, No. 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or any adjourned meeting thereof.

As at the date of this announcement, the board of directors of the Company comprises 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.