



FOR IMMEDIATE RELEASE

Sino-Forest acquires New Zealand plantation and intends to transfer 100% ownership to Omnicorp

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Strengthens international supply of wood to serve China's wood deficit

Toronto, CANADA, November 2, 2010 – Sino-Forest Corporation (“Sino-Forest” or the “Company”), a leading, commercial forest plantation operator in China, is pleased to announce today the acquisition of a New Zealand plantation and the proposed intention of Sino-Forest and its subsidiary, Omnicorp Limited (“Omnicorp”), to enter into an agreement pursuant to which, upon satisfaction of certain conditions, Sino-Forest will transfer such newly acquired forestry assets, namely the shares of MFV Limited (“MFVL”), to Omnicorp or its designated subsidiary. The acquisition is not considered material to Sino-Forest from an asset or investment size. The final transfer price is to be determined with reference to the amount of consideration initially paid by Sino-Forest plus all costs and expenses reasonably incurred by it in connection with its acquisition.

MFVL is the owner of an intensively managed radiata pine plantation in New Zealand called the “Mangakahia Forest”, an area of approximately 13,000 hectares of freehold land with a plantation area of approximately 11,000 hectares. The Mangakahia Forest is located in the Northland region, the second largest plantation region in New Zealand with some of the highest growth rates in the country as a result of favorable climate, fertile soil and year-round rainfall. Radiata pine is characterized by its high density and stiffness, and the Mangakahia logs can be used to produce high-value sawlogs which are suitable for structural lumber fabrication and engineered wood products. The Mangakahia Forest is a mature forest and is expected to generate immediate cashflow through its total recoverable volume of timber of approximately 5.6 million cubic metres as of December 31, 2009.

Mr. Allen Chan, Chairman of Sino-Forest and Omnicorp, said, “New Zealand is the second largest exporter of softwood into China after Russia, and China has high demand for quality radiata pine from New Zealand. Omnicorp is Sino-Forest’s partner and platform for sourcing international forestry assets into China. Therefore, transferring MFVL ownership to Omnicorp strengthens the synergies between the two companies and allows us to operate as a truly integrated player, from Omnicorp’s ownership and management of quality foreign assets to Sino-Forest’s extensive sales and marketing in China.”

Mr. Judson Martin, Vice-Chairman of Sino-Forest and Chief Executive Officer of Omnicorp, said, “We are pleased with the completion of Sino-Forest’s acquisition and the proposed intention to transfer Mangakahia to Omnicorp. With the inclusion of Mangakahia, Omnicorp’s new expanded portfolio of quality tropical hardwood from Suriname and fast growing softwood from New Zealand will strengthen its strategy of supplying wood from outside China for China.”

Mr. Martin continued, “We expect Mangakahia to contribute positively to Omnicorp’s earnings and cashflow by the end of 2011 and beyond. Using local New Zealand forestry managers who are experienced in implementing successful, sustainable harvesting and replantation campaigns, we expect Mangakahia to add significant value to Sino-Forest and Omnicorp over the coming years.”

Sino-Forest and Omnicorp have not yet entered into any binding agreement and the proposed transfer of MFVL shares is subject to satisfaction of certain conditions including the necessary approvals under the Overseas Investment Act 2005 (New Zealand) and approval from the shareholders of Omnicorp. Further announcement will be made by Sino-Forest as and when appropriate.



About Sino-Forest Corporation

Sino-Forest is a leading, commercial forest plantation operator in China. Its principal businesses include the ownership and management of forest plantation trees and sales of standing timber, wood logs, and complementary manufacturing of downstream engineered-wood products. Sino-Forest also holds a majority interest in Omnicorp (HK:00094), a Hong Kong listed investment holding company with hardwood concessions and harvesting rights in Suriname, South America. Sino-Forest's common shares have traded on the Toronto Stock Exchange under the symbol TRE since 1995. Learn more at www.sinoforest.com.

About Omnicorp Limited

Omnicorp is a Hong Kong-based investment holding company. The principal activities of Omnicorp's subsidiaries consist of log harvesting, lumber processing and marketing and sales of logs and lumber products. Omnicorp owns a 60.4% interest in its main subsidiary Greenheart Resources Holdings Limited, who owns the harvesting rights in an 184,000 hectare hardwood forest concession in Suriname, South America. Omnicorp's common shares have been listed on the Hong Kong Stock Exchange since 1988 with a stock code 00094. Omnicorp is majority owned by Sino-Forest Corporation, a leading, commercial forest plantation operator in China and listed on the Toronto Stock Exchange (TSX:TRE). Learn more at www.omnicorplimited.com.

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