



FOR IMMEDIATE RELEASE

**Sino-Forest Increases Investment in Hong Kong-Listed Omnicorp
Enhances Existing Partnership to Serve China's Wood Deficit**

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Announces Board and Senior Management Appointments

Toronto, June 22, 2010 – Sino-Forest Corporation (“Sino-Forest” or the “Company”) (TSX: TRE), a leading, commercial forest plantation operator in China, is pleased to announce today that it has entered into a Share Subscription Agreement (the “Agreement”) with Omnicorp Limited (“Omnicorp”) (HKSE: 0094), a Hong Kong-listed company. Sino-Forest will, subject to the satisfaction or waiver of certain conditions, purchase a total of 230 million subscription shares in Omnicorp (the “Subscription Shares”) at a price of HK\$1.82 per share, for a consideration of HK\$418.6 million or approximately US\$53.7 million. Upon completion of the Agreement, Sino-Forest will increase its voting interest in Omnicorp from 19.9% to approximately 53.7% of the enlarged issued share capital of Omnicorp. Sino-Forest also holds HK\$212.3 million of existing convertible bonds of Omnicorp (the “Existing Convertible Bonds”) that were acquired in November 2007 and February 2009. Assuming full conversion of the Existing Convertible Bonds and the completion of the Agreement, Sino-Forest will own approximately 60.1% of the enlarged issued share capital of Omnicorp.

Omnicorp has a 60.4% ownership in Greenheart Resources Holdings Limited (“Greenheart”), and Sino-Forest, through its wholly owned subsidiary Sino-Capital Global Inc., owns a 39.6% minority stake. As one of the largest forest concession owners and operators in Suriname, South America, Greenheart owns a 178,000-hectare hardwood concession with a harvestable standing stock volume of approximately 4.4 million cubic meters. Greenheart adheres to the sustainable forestry management and silviculture systems developed and practiced by the Suriname Government through CELOS, the Centre for Agricultural Research in Suriname.

Sino-Forest Chairman & CEO Allen Chan said, “We are pleased to expand our existing partnership with Omnicorp and look forward to sharing our operating expertise and R&D knowledge in sustainable forestry management with Greenheart. This collaboration will strengthen our supply of sustainable hardwood fibre at competitive prices to serve the increasing wood deficit in China and in turn deliver stronger shareholder value for Sino-Forest. At the same time, through low impact sustainable harvesting and continued adoption of CELOS best practices, we will endeavor to preserve and enhance Suriname’s precious ecosystem.”

Mr. Chan continued, “Our partnership with Omnicorp will also support economic growth in Suriname by further developing the domestic sustainable forestry industry. We intend to expand the export markets for Suriname’s sustainable wood products in China and other countries around the world, improve the infrastructure and services in local communities and provide greater employment opportunities for the Suriname people.”

Sino-Forest is also pleased to announce the appointment of Mr. W. Judson Martin as Vice Chairman of Sino-Forest and a member of the Company’s senior management. Mr. Martin has been a Director of Sino-Forest since 2006 and its Lead Director since 2007. Mr. William E. (Bill) Ardell, who joined the Company’s Board of Directors in 2010, will be appointed the new Lead Director of Sino-Forest. These appointments are effective immediately.



Subject to the completion of the Agreement with Omnicorp and certain conditions and regulations applicable thereto, including approval of the transaction contemplated under the Agreement by Omnicorp's independent shareholders at a Special General Meeting, it is intended that Allen Chan will be appointed non-executive Chairman and Director of Omnicorp and W. Judson Martin will be appointed President, Chief Executive Officer and an Executive Director of Omnicorp.

Mr. Chan added, "The Sino-Forest appointments of Judson and Bill, both very experienced and well qualified for their new roles, are part of the ongoing efforts to strengthen our senior management and maintain a high level of Board governance in response to our growth and ambitious future plans. The prospective executive and board appointments at Omnicorp and Judson's relocation to Hong Kong will help us align the strategic business directions of both Sino-Forest and Omnicorp. Omnicorp's management teams in Hong Kong and Suriname have been instrumental in Greenheart's success to date. We look forward to working with them through our expanded partnership and to the next stage of Omnicorp's development."

Mr. Kin Chi Wong, current Chairman and independent non-executive Director of Omnicorp, said, "While I will remain on the Board going forward, we look forward to welcoming both Allen and Judson to our Board. We are excited at the prospect of our growing partnership with Sino-Forest which began in 2007. Omnicorp has made considerable progress in developing its operations, and with Sino-Forest becoming our controlling shareholder and partner, we expect this progress to continue. We look forward to leveraging Sino-Forest's international distribution channels, experienced financial and operating management, R&D knowledge and their two decades of successful and sustainable harvesting expertise to accelerate Omnicorp's development. I am confident that this transaction marks the beginning of a new era for Omnicorp and we all look forward to bringing more value to our shareholders in the coming years."

Separately, Omnicorp also announced today that it has entered into a Convertible Note Agreement ("CN Agreement") with Greater Sino Holdings Limited ("CN Subscriber") to subscribe for new convertible notes of Omnicorp with an aggregate principal amount of US\$25 million. CN Subscriber is a special purpose vehicle for a private equity fund targeting investments across a diversified portfolio of natural resources companies or assets (including forestry) with exposure to broad Asian growth. The fund manager of CN Subscriber, ARF Investment Management Limited, is a wholly-owned subsidiary of General Enterprise Management Services (International) Limited ("GEMS") which is a private equity fund management group that manages over US\$600 million across its funds that in turn make direct investments in the Asia Pacific region. Subject to completion of the CN Agreement and in accordance with its terms, GEMS will nominate Mr. Simon Murray to the Board of Omnicorp. Mr. Murray is also an independent non-executive director of Sino-Forest.

About Omnicorp Limited

Omnicorp Limited is a Hong Kong-based investment holding company. The principal activities of Omnicorp's subsidiaries consist of log harvesting, lumber processing, marketing and sales of logs and lumber products. Omnicorp's main subsidiary is Greenheart Resources Holdings Limited, which currently owns a 178,000-hectare hardwood concession and harvesting rights in Suriname, South America. Omnicorp's common shares have been listed on the Hong Kong Stock Exchange since 1988 under the symbol 0094. Learn more at www.omnicorplimited.com.

About Sino-Forest Corporation

Sino-Forest Corporation 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. The Corporation's common shares have traded on the Toronto Stock Exchange under the symbol TRE since 1995. Learn more at www.sinoforest.com.



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