

From: Mega Harvest International Limited

To: Sino-Forest Corporation

26 March 2012

Dear Sirs,

Supplemental Letter to Loan Agreement dated 28 March 2011

We refer to the loan agreement dated 28 March 2011 (the “**Loan Agreement**”) entered into between yourselves and ourselves, pursuant to which you agreed to make available a facility of up to US\$40,000,000 to us.

Terms defined in the Loan Agreement shall have the same meanings when used herein.

Pursuant to the recent discussions between yourselves and ourselves, you and we have agreed that:

- (1) with effect from the date of this letter, the Loan Agreement shall be amended as follows:

The definition of “Final Repayment Date” shall be deleted in entirety and replaced by the following:

““**Final Repayment Date**” means 17 August 2013”; and

- (2) the terms of the Loan Agreement remain in full force and effect following the execution of this letter and that, save as amended by this letter, the terms of the Loan Agreement will remain in full force and effect from the date of this letter.

This letter may be executed in counterparts and by the parties on separate counterparts which when taken together shall be deemed to constitute one document.

This letter shall be governed by and construed in accordance with the laws of Hong Kong.

Kindly confirm your agreement to the above by signing and returning to us the enclosed copy of this letter.

Yours faithfully,
For and on behalf of
Mega Harvest International Limited

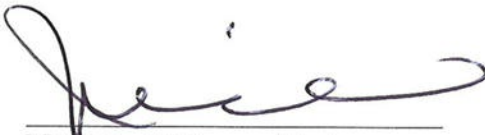


Judson Martin
Director

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We agree to the terms of this letter as set out above.

For and on behalf of
Sino-Forest Corporation



Name: Judson Martin
Title: Director