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OMNICORP LIMITED

兩儀控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 94)

**MASTER AGREEMENT
FOR THE ACQUISITION OF PURCHASE RIGHT AND
LEASE OPTION**

MASTER AGREEMENT

On 30 June 2008 after the trading hours of the Stock Exchange, the Purchaser, a wholly owned subsidiary of the Company, entered into the Master Agreement with the Counterparty whereby the Counterparty agreed to (a) grant to or arrange and procure the other Forest Tree Holder(s) to grant to the Purchaser an exclusive right to purchase the Target Assets (being the plantation trees on the Forest Land (being 100,000 hectares (that is, approximately 1,500,000 mu) of forest land in Jiang Xi and Fu Jian Provinces, the PRC) which shall comprise pine and Chinese fir or other species of plantation trees of same or higher grades with an aggregate fibre yield of not less than 10 million m³) and (b) grant to or arrange and procure the other Forest Land Holder(s) to grant to the Purchaser an option to lease the Forest Land Use Right of the Forest Land for 30 years after harvesting. The Master Agreement (other than the Lease Option which is exercisable within 5 years after harvesting and in any event within 9 years from the date of execution of the Master Agreement) will be valid for 5 years from the date of its execution.

The purchase price of the Target Assets shall be satisfied by a combination of cash, the issue of Consideration Shares and/or the issue of Convertible Notes. The combination of payment method by which the Purchase Price is to be satisfied, the issue price of the Consideration Shares and the conversion price of the Convertible Notes are subject to further negotiation and finalization, the terms of which are to be set out in the Definitive Agreement(s).

Upon the exercise of the Purchase Right and/or the Lease Option by the Purchaser, the Purchaser and the Counterparty (or the relevant Forest Right Holders (as the case may be)) will enter into the Definitive Agreement(s). Pursuant to the terms of the Master Agreement, either party is entitled not to complete the transactions contemplated under the Master Agreement or the Definitive Agreement(s) where certain conditions are not fulfilled or (waived).

The Group is currently principally engaged in log harvesting, lumber processing, marketing and sales of logs and lumber products, sale of electronic components and products, property holding and investment holding. The Acquisition will enable the Group to expand into the commercial forestry plantation business in the PRC.

As disclosed in the announcement of the Company dated 10 January 2008, the Directors believe that the Acquisition will allow the Group to lock in the supply source of mature plantation trees and establish the plantation business in the PRC. The Directors consider that the Acquisition will represent a major strategic step towards achieving the goal of the Company in becoming one of the major and preferred suppliers of wood fiber, both hard and soft wood, operating under the Sustainable Forestry Management to meet the increasing demand from downstream manufacturers in the wood panel, furniture, construction, interior decoration in the PRC and overseas. This leverages on continued growth led by industrialisation and urbanisation.

This announcement is made pursuant to Rule 13.09 of the Listing Rules. Actions will be taken by the Company to comply with the disclosure and (where applicable) approval requirements in accordance with the Listing Rules in relation to the exercise of the Purchase Right and/or the Lease Option.

Reference is made to the announcement of the Company dated 10 January 2008 and 9 April 2008 in relation to the MOU entered into between the Purchaser, a wholly owned subsidiary of the Company and the Counterparty.

MASTER AGREEMENT

On 30 June 2008 after the trading hours of the Stock Exchange, the Purchaser, a wholly owned subsidiary of the Company, entered into the Master Agreement with the Counterparty whereby the Counterparty agreed to (a) grant to or arrange and procure the other Forest Tree Holder(s) to grant to the Purchaser an exclusive right to purchase the Target Assets and (b) grant to or arrange and procure the other Forest Land Holder(s) to grant to the Purchaser an option to lease Forest Land Use Right of the Forest Land for 30 years after harvesting.

The following is a summary of the major terms of the Master Agreement:

Date : 30 June 2008

Parties : the Purchaser
the Counterparty

Subject matters : Purchase Right

The Counterparty agreed to grant or arrange and procure

the other Forest Tree Holder(s) to grant an exclusive right to the Purchaser to purchase the Target Assets (being the plantation trees on the Forest Land which shall comprise pine and Chinese fir or other species of plantation trees of same or higher grades with an aggregate fibre yield of not less than 10 million m³). The Purchaser may exercise the Purchase Right either in whole or in part, and either by way of an one-off transaction or by stages as the Purchaser may determine and direct.

The minimum volume of fibre yield which the Counterparty is obliged to deliver is 10 million m³ unless the Purchaser demands below that amount.

Lease Option

The Counterparty also agreed to grant to or arrange and procure the other Forest Land Holder(s) to grant to the Purchaser an option (exercisable in whole or may be exercised by stage) to lease the Forest Land Use Right of the Forest Land for 30 years after harvesting. The Lease Option is exercisable by the Purchaser within 5 years after harvesting and in any event within 9 years from the date of execution of the Master Agreement.

The Purchaser and the Counterparty (or the relevant Forest Right Holders (as the case may be)) shall enter into Definitive Agreement(s) to set out the terms of the acquisition of the Target Assets or the lease of the Forest Land Use Right of the Forest Land after harvesting upon exercise of the Purchase Right and/or the Lease Option.

**Terms of the
Purchase Right
and the Lease
Option**

: Purchase Right

The Purchase Price is subject to further negotiation and finalization to be set out in the Definitive Agreement(s), provided that the Purchase Price will not in any event exceed RMB400 per cubic meter (subject to any applicable laws and regulations).

Subject to any applicable laws and regulations, the Purchase Price shall be satisfied by a combination of cash, the issue of new shares of the Company (the “**Consideration Shares**”) and/or the issue of convertible notes (the “**Convertible**”).

Notes”) which entitle the holder(s) thereof to subscribe for new shares of the Company (the “**Conversion Shares**”). The combination of payment method by which the Purchase Price is to be satisfied, the issue price of the Consideration Shares and the conversion price of the Convertible Notes are subject to further negotiation and finalization, the terms of which are to be set out in the Definitive Agreement(s).

Lease Option

The annual rental for the Forest Land Use Right of the Forest Land per mu is subject to further negotiations and finalization to be set out in the Definitive Agreement(s), provided that such annual rental shall not in any event exceed RMB35 per mu (subject to any applicable laws and regulations).

The rental shall remain unchanged for 30 years after the same has been determined. Subject to the applicable laws and regulations, the term of the lease of the Forest Land Use Right of the Forest Land can be extended to 50 years whereby the parties will enter into new agreement(s) for the lease of the Forest Land Use Right and attend to the relevant approval and registration procedures.

Conditions in relation to the Master Agreement

: If the following conditions are not fulfilled (or waived), either party is entitled not to complete the transactions contemplated under the Master Agreement:

- (a) (where necessary) the passing by the Shareholders of ordinary resolution(s) approving the transactions contemplated under the Master Agreement;
- (b) all other necessary approvals or consents (if any) of the relevant governmental or regulatory authorities for the transactions contemplated in the Master Agreement having been obtained;
- (c) all the representations, undertakings, confirmation and warranties given by the Purchaser remaining true and accurate and are not misleading in any material respect; and
- (d) all the representations, undertakings, confirmation and warranties given by the Counterparty remaining true

and accurate and are not misleading in any material respect.

For the purpose of the waiver of the conditions, the Counterparty has the right to waive condition (c) above and the Purchaser has the right to waive condition (d) above.

Conditions in relation to the Definitive Agreement(s)

: If the following conditions are not fulfilled (or waived), either party is entitled not to complete the transactions contemplated under the Definitive Agreement(s):

- (a) the Purchaser being satisfied with the results of the assessment report(s) to be prepared by the relevant expertise (whereby if it is shown from the results of such assessment reports that the subject of the Definitive Agreement(s) meets the fibre yield and quality assessment and the requirements as set out under the Master Agreement or the Definitive Agreement(s), the Purchaser shall not refuse to accept the same without reasonable cause);
- (b) (where necessary) the passing by the Shareholders of ordinary resolution(s) approving the transactions contemplated under the Definitive Agreement(s);
- (c) (where necessary) the Company having obtained the approval granted by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares which may fall to be issued and allotted upon the exercise of the conversion rights attaching to the Convertible Notes, failure of which shall not affect the performance of the Definitive Agreement(s) by cash payment or other method as agreed between the parties unless there are no alternative method in the performance of the Definitive Agreement(s);
- (d) all other necessary approvals or consents (if any) of the relevant governmental or regulatory authorities for the transactions contemplated in the Master Agreement or Definitive Agreement(s) having been obtained;
- (e) all the representations, undertakings, confirmation and warranties given by the Purchaser remaining true and accurate and are not misleading in any material respect; and

- (f) all the representations, undertakings, confirmation and warranties given by the Counterparty remaining true and accurate and are not misleading in any material respect.

For the purpose of the waiver of the conditions, the Purchaser has the right to waive conditions (a) and (f) above and the Counterparty has the right to waive condition (e) above.

- Inspection, Harvesting, etc. of Target Assets** : As from the date of the Master Agreement, the Purchaser shall be entitled to enter into the Forest Land to inspect and maintain the Target Assets and upon the Definitive Agreement(s) taking effect, to harvest and transport the relevant Target Assets. The Counterparty shall provide necessary assistance to the Purchaser in this connection.
- Duration of the Master Agreement** : 5 years from the date of execution of the Master Agreement, save that the Lease Option is exercisable within 5 years after harvesting and in any event within 9 years from the date of execution of the Master Agreement
- Assignment of rights by the Purchaser** : The Purchaser is entitled to assign its rights and liabilities under the Master Agreement to its PRC-incorporated subsidiary or other third party as nominated by the Purchaser without the consent of the Counterparty or the Forest Right Holder(s) by giving 10-day prior notice to the Counterparty.

Pursuant to the terms of the Master Agreement, no premium is payable by the Purchaser for the acquisition of the Purchase Right and the Lease Option.

GENERAL

The Group is currently principally engaged in log harvesting, lumber processing, marketing and sales of logs and lumber products, sale of electronic components and products, property holding and investment holding. The Acquisition will enable the Group to expand into the commercial forestry plantation business in the PRC.

As disclosed in the announcement of the Company dated 10 January 2008, the Directors believe that the Acquisition will allow the Group to lock in the supply source of mature plantation trees and establish the plantation business in the PRC. The Directors consider that the Acquisition will represent a major strategic step towards achieving the goal of the Company in becoming one of the major and preferred suppliers of wood fiber, both hard and soft wood, operating under the Sustainable Forestry Management to meet the increasing demand from downstream manufacturers in the wood panel, furniture, construction, interior decoration in the PRC and overseas. This leverages on continued growth led by industrialisation and urbanisation.

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the Acquisition is in the interest of the Company and the Shareholders as a whole.

This announcement is made pursuant to Rule 13.09 of the Listing Rules. Actions will be taken by the Company to comply with the disclosure and (where applicable) approval requirements in accordance with the Listing Rules in relation to the exercise of the Purchase Right and/or the Lease Option.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

“Acquisition”	the acquisition of the Purchase Right and the Lease Option by the Purchaser pursuant to the Master Agreement;
“associate”	the meaning ascribed to it in the Listing Rules;
“Board” or “Directors”	the board of directors of the Company;
“Company”	Omicorp Limited 兩儀控股有限公司*, a company incorporated in Bermuda, the shares of which are listed on the Stock Exchange;
“connected person”	the meaning ascribed to it in the Listing Rules;
“Counterparty”	南昌富林實業有限公司 (Nan Chang Fu Lin Shi Ye Company Limited), a company incorporated in the PRC, which and the ultimate beneficial owner(s) of which are, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, independent of and not connected with the Company and its connected persons;
“Definitive Agreement(s)”	the definitive agreement(s) to be entered into between the Purchaser and the Counterparty upon the exercise of the Purchase Rights and/or the Lease Option;
“Forest Land”	100,000 hectares (that is, approximately 1,500,000 mu) of forest land in Jiang Xi and Fu Jian Provinces, the PRC;
“Forest Land Holder(s)”	the holder(s) of the Forest Land Use Right (林地使用權) of the Forest Land;

“Forest Right Holder(s)”	the Forest Land Holder(s) and the Forest Tree Holder(s) collectively;
“Forest Tree Holder(s)”	the holder(s) of the Forest Tree Ownership Right (林木所有權) of the Target Assets;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Lease Option”	the option granted to the Purchaser under the Master Agreement to lease the Forest Land Use Right (林地使用權) of the Forest Land for 30 years after harvesting;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Master Agreement”	a legally binding master agreement dated 30 June 2008 entered into between the Purchaser and the Counterparty in relation to the Acquisition;
“MOU”	a memorandum of understanding dated 9 January 2008 entered into between the Purchaser and the Counterparty in relation to the Acquisition;
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan;
“Purchase Price”	the purchase price of the Target Assets upon exercise of the Purchase Right;
“Purchase Right”	the exclusive right granted to the Purchaser under the Master Agreement to purchase the Target Assets;
“Purchaser”	Grand Top Holdings Limited, a company incorporated in the British Virgin Islands, being a wholly-owned subsidiary of the Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	the ordinary share(s) of the Company;
“Shareholder(s)”	the holder(s) of the Shares;

“Stock Exchange”

The Stock Exchange of Hong Kong Limited; and

“Target Assets”

the plantation trees on the Forest Land which shall comprise pine and Chinese fir or other species of plantation trees of same or higher grades with an aggregate fibre yield of not less than 10 million m³.

By Order of the Board
Omicorp Limited
Sung Yan Wai Petrus
Executive Director

30 June 2008

As at the date hereof, the Board comprises two executive Directors, namely Messrs. Sung Yan Wai Petrus and Hui Tung Wah Samuel and three independent non-executive Directors, namely Messrs. Wong Che Keung Richard, Tong Yee Yung Joseph and Wong Kin Chi.

* *For identification purposes only*