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BIO-DYNAMIC GROUP LIMITED
生物動力集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00039)

ANNOUNCEMENT

Reference is made to the announcements of the Company dated 4 August 2010, 5 August 2010, 7 September 2010 and the circular of the Company dated 17 August 2010 (the “**Circular**”) in relation to, among other things, the Proposed Acquisition. Capitalised terms used in this announcement shall have the same meanings as defined in the Circular unless otherwise stated.

The Board is pleased to announce that KVHL has obtained the Certificate of Invention Patent No. 722484 from the State Intellectual Property Office of the PRC in relation to a technique and know-how that utilises, among other things, corn stalk and bacteria or a combination of bacteria to produce forage (patent no. ZL 2009 1 0073039.5) on 29 December 2010.

By Order of the Board
BIO-DYNAMIC GROUP LIMITED
Peter Lo
Chairman

Hong Kong, 6 January 2011

As at the date of this announcement, the executive directors are Mr. Peter Lo, Mr. Li Wentao, Mr. David Lee Sun, Mr. Zhao Difei, Mr. Li Jian Quan and Mr. Fu Hui; the non-executive director is Mr. Derek Emory Ting-Lap Yeung; and the independent non-executive directors are Dr. Leung Kwan-Kwok, Mr. Sam Zuchowski and Dr. Loke Yu alias Loke Hoi Lam.