

## MAPLE LEAF REFORESTATION INC. (TSX-V: MPE)

For Immediate Release

**Last Close:** January 16, 2012 - \$0.04  
**Shares Issued:** 80,682,875

### **MAPLE LEAF ENTERS YELLOWHORN PROJECT ALLIANCES**

Maple Leaf Reforestation Inc. ("Maple Leaf") is pleased to announce that it has entered a Yellowhorn Project Collaboration Agreement for the exclusive distribution of Yellowhorn products in Europe and for the joint development of Yellowhorn planting projects in Europe (the "Agreement") with Vinomatos Espana, S.L. ("Vinomatos"), a Spain-based company that specializes in planting fruit trees, vineyards, olive trees and agro-energetic planting projects. Vinomatos utilizes a "Super High Intensive" technique for its planting which includes a semi-automatic GPS guided machine. Vinomatos has developed a program for applying its planting techniques to Yellowhorn production. The Agreement will be effective for 3 years and will be renewable by the agreement of both parties.

Maple Leaf and Vinomatos' parent-company, Gaia Group ("Gaia"), have also entered a Letter of Intent with *Horqin Youyi Qianqi County, Inner Mongolia* (the "County"), for the planting of Yellowhorn seedlings on approximately 82,000 acres of land in Inner Mongolia (the "LOI") over the next 2 years. The LOI allows for MPE and Gaia to sell up to 57 million Yellowhorn seedlings to the County over the next 2 years at a price of 1 RMB (\$0.16 CDN) per seedling for planting, with the right to buy back certain amounts of the Yellowhorn seeds once mature for 10 RMB (\$1.60 CDN) per kilogram, instead of the current market price in China of approximately 58 RMB (\$9.28 CDN) per kg.

Maple Leaf's management is excited about both the Agreement and the LOI, and its new relationships with Vinomatos/Gaia and the County, and it hopes to continue to be able to secure partnerships and agreements relating to its operations that provide near term revenue and value to the company. The County is keen on attracting 'Green' development projects in its region and has presented Maple Leaf and Vinomatos/Gaia with several opportunities. The Agreement and the LOI are key pieces for having success with Maple Leaf's 2012 corporate plans.

Maple Leaf has spent considerable time and resources in recent years growing agro-energetic crops like Yellowhorn in China and testing and developing agro & process technologies that can assist with the growth and development of Yellowhorn products. Maple Leaf's goal has been, and remains to be, to become the owner of Yellowhorn Plantations within China that provide a significant Yellowhorn product source for its own use and distribution. Maple Leaf is also committed to continuing to improve, develop and create a global value for Yellowhorn products, which to date has only existed within China. Maple Leaf's efforts surrounding Yellowhorn products has created significant public awareness and interest from companies worldwide who are seeking to incorporate Yellowhorn products into their environments, businesses and markets. Maple Leaf has become the first information source regarding Yellowhorn products for several companies in Europe and the United States, being a valuable provider of Yellowhorn research and products. Both Maple Leaf and Vinomatos/Gaia are convinced of the potential for Yellowhorn to become "*the bio-energy crop for the world*", and therefore both are equally interested and excited to collaborate with each other to develop Yellowhorn products and growth processes, and expand the market consumption of Yellowhorn around the world.

Given Maple Leaf's new arrangements with Vinomatos/Gaia and the County, and due to the results of the extensive due diligence undertaken, Maple Leaf will be cancelling its proposed asset purchase from KS Ecology (Canada) Inc. ("KS"), a Vancouver, B.C. based Yellowhorn plantation company with operations in China. Maple Leaf's new partnerships with Vinomatos/Gaia and the County will provide for a much larger supply of Yellowhorn products and will do so at significantly lower costs. Pursuant to its Asset Purchase

Agreement with KS, Maple Leaf had until January 27, 2012 to conduct due diligence on KS's assets and is permitted to cancel the Asset Purchase Agreement entirely, and at no penalty, due to KS's assets being primarily inconsistent with the details provided to Maple Leaf at the time that the Asset Purchase Agreement was entered. For more information on Maple Leaf's proposed transaction with KS investors are encouraged to see Maple Leaf's previous news releases dated May 30, 2011, August 1, 2011 and November 9, 2011.

Maple Leaf will be continuing to update investors regularly in the coming weeks regarding its ongoing operational initiatives and it is excited about being in a position to release these details to current and potential shareholders.

### **Maple Leaf Reforestation Inc.**

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### **About Maple Leaf Reforestation Inc.**

Maple Leaf is a Canadian company that focuses in the environmental industry with 2 main operating arms:

1. Eco-Agriculture - it operates a large-scale nursery business in Inner Mongolia, China that is focused on growing value-added tree seedlings and nursery products that assist with anti-desertification.
2. Renewable Energy - it is undertaking to commence a Yellowhorn seedling and tree operation which would provide valuable Yellowhorn seeds and ultimately oil from such seeds for the manufacture of bio-diesel fuel and premium healthy cooking oil.

Maple Leaf is a wholly-owned foreign enterprise which allows the Company to control 100% of the direction and operations of the company in China while permitting the cash generated from operations in China to flow back to Canada.

For further information regarding Maple Leaf Reforestation Inc., visit [www.mlreforestation.com](http://www.mlreforestation.com) or contact:

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*Maple Leaf maintains a forward-looking statement database which is reviewed by management on a regular basis to ensure that no material change has occurred with respect to such forecasts. The Company will publicly disclose such material changes to its forward-looking statements as soon as they are known to management.*