

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

For Immediate Release

Last Close: July 29, 2011 - \$0.075
Shares Issued: 80,682,875

Maple Leaf Acquires Yellowhorn Plantation Assets Valued at CDN \$2 Million

Maple Leaf Reforestation Inc. ("Maple Leaf") is pleased to announce that further to its news release dated May 30, 2011, it has signed an agreement to acquire assets from KS Ecology (Canada) Inc. ("KS"), a Vancouver, B.C. based Yellowhorn plantation company (the "Agreement") with operations in China.

Pursuant to the agreement Maple Leaf will acquire three Yellowhorn plantations and nurseries in China, with associated assets, two located in the city of JiaoZuo, Henan Province (80% interest) and one in the city of Beijing, China (100% interest) (the "Assets"). The additional 20% interest in the Henan assets is owned by the on-site operator of the Assets, who is party to a joint-venture arrangement with KS. The Agreement gives Maple Leaf the ability to re-negotiate the joint-venture agreement on the Henan assets or seek to buy-out the 20% partner.

The Assets

| Henan Assets | Beijing Assets |
|--|---|
| <ul style="list-style-type: none">• 2 million 1-year old Yellowhorn trees• 600,000 2-year old Yellowhorn trees• 40,000 fully grown Yellowhorn trees• 6 million Pistacia Chinensis trees• approximately 875 acres (5,300 mu) of plantation lands• approximately 100 acres (600 mu) of nursery space• a Yellowhorn Forestry Research Institute• 2 office spaces | <ul style="list-style-type: none">• 22,000 fully grown Yellowhorn trees• approximately 50 acres (310 mu) of plantation lands |

Agreement Terms

The Assets are being purchased at a deemed value of Cdn \$2,019,600 (RMB¥ 13,733,200) (the "Purchase Price"). The Purchase Price will be satisfied by Maple Leaf by issuing from its treasury 13,464,000 common shares at a deemed value of \$0.15 per share (the "Shares"). Maple Leaf will be required to issue 8,976,000 of the Shares upon closing and will withhold 4,488,000 of the Shares until the date that is one year from closing. Maple Leaf will only be required to issue the 4,488,000 Shares if it is satisfied with the performance of the Assets, however it will not be permitted to withhold the second tranche of the Shares based on commercially unreasonable expectations regarding the performance of the Assets.

Due Diligence Period

The latest anticipated closing date for the Agreement is October 28, 2011 (the "Closing Date"). Prior to the Closing Date Maple Leaf will undertake extensive due diligence with respect to the Assets. The Agreement stipulates that as a result of Maple Leaf's due diligence the Purchase Price may be adjusted

downward as necessary or that Maple Leaf may, at its sole discretion, void the Agreement entirely if a substantial discrepancy with respect to the Assets is discovered during its due diligence.

Finder's Fee

Maple Leaf may, subject to all regulatory approvals, pay cash or issue Shares to an arm's length party of both Maple Leaf and KS, as a finder's fee for introducing it to KS and for assisting with facilitating and finalizing the Agreement, up to a maximum of 10% of the value of the Purchase Price, and if the finder's fee is satisfied by issuing Shares, at a deemed value of \$0.15 per Share.

KS Personnel

It is anticipated that KS's management and personnel will continue to be heavily involved with the operations and growth of the Assets upon successful closing of the Agreement. KS's team members will have a substantial vested interest in Maple Leaf following closing of the Agreement and their expertise and experience with operating the Assets will be invaluable to their successful development by Maple Leaf. A separate management agreement will be entered following the Closing Date.

No New Insiders

The closing of the Agreement will not result in any new Insiders of Maple Leaf, as that term is defined by applicable Securities Laws. Pursuant to the Agreement KS has undertaken to distribute the Shares to its shareholders immediately upon closing of the Agreement, thus ensuring that no one person or entity becomes a 10% shareholder of Maple Leaf's common shares.

Closing of the Agreement is subject to receipt of all regulatory approvals from both the TSX Venture Exchange and the Alberta Securities Commission, as required.

The Agreement will be filed on www.sedar.com as a "Material Document".

Raymond Lai, Maple Leaf's President & C.E.O comments, "We are very excited about this acquisition. It does not only increase Maple Leaf's asset base substantially, it also fills in the missing pieces of the puzzle for our roadmap to growth. With this acquisition, we will now have the necessary land base to expand our greenhouse operation and build up our own nursery plantations. Also, we will now be in a position to establish a solid Yellowhorn feedstock supply base for our planned bio-diesel operations in both China and overseas in North America and Europe. In addition, the acquisition will provide an additional source of revenue from the full-line of Yellowhorn products that are derived from the Assets. We are also thrilled about the capable management personnel that this transaction will bring to our team. I would like to thank both KS's and Maple Leaf's personnel for their hard work in the past few months to make this transaction come to fruition. It will be a milestone for Maple Leaf's growth plans and a turning point for Maple Leaf's operational future."

About Yellowhorn

Yellowhorn's scientific name is *Xanthoceras Sorbifolia Bunge*, and its Chinese name is 文冠果. The Yellowhorn is a local species in China that it is well known for its endurance to desert weather and can grow in non-cultivated semi-desert land. Its root can go very deep and grabs on the surrounding soil, so it is also good for stopping desertification. The Yellowhorn has a wide variety of uses. To name a few: the seed has high oil content which can be used for airplane lubricant, bio-diesel and high quality cooking oil which is superior in quality to olive oil; the meal can be used for high protein feedstock for livestock; the fruit shell contains Furfural, a chemical substance used in plastics and solvents; the bark can be used for curing arthritis; the leaf can be used for good slimming green tea. It usually takes three years for a Yellowhorn tree to reach maturity and five years to harvest the fruit. The technology for extracting oil from

the fruit of Yellowhorn is quite mature and reliable and is not as complicated as other types of oil and bio-diesel plants.

About KS

KS is a private Canadian company that has majority ownership in three plantations in China, two in the city of JiaoZuo, Henan Province and one in the city of Beijing (the "Plantations"). The Plantations consist of approximately 1,055 acres of land, which contain approximately 2,622,000 Yellowhorn trees that are in various stages of growth and 6,000,000 Chinese Pistache trees, whose seed is another type of feedstock for bio-diesel production.

From its own Yellowhorn oil supply, KS has been producing a small quantity of Yellowhorn cooking oil, bio-diesel, tea and other products that serve a medical purpose, and marketing such products under the KS brand name throughout China. KS has indicated that it is in the process of negotiating various deals and partnerships in China that would give it access to an additional 8,500 acres of land containing 3 million more Yellowhorn trees, and effectively giving it a dominant position with respect to the Yellowhorn supply source in China.

Incentive Stock Options

Maple Leaf would also like to announce that it has issued 100,000 incentive stock options to its Inner Mongolia Greenhouse Manager and 300,000 incentive stock options to a director that was newly appointed at its annual general and special meeting of shareholders held in June, 2011. The incentive stock options will be exercisable into common shares at a price of \$0.125 for a period of 3 years.

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 or contact:

Maple Leaf Reforestation Inc.

Raymond Lai, Chairman, President & CEO

Tel: +1 (403) 668-7560

Fax: +1 (403) 250-2534

E-mail: rlai@mlreforestation.com

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Certain statements in this news release including (i) statements that may contain words such as "anticipate", "could", "expect", "seek", "may", "intend", "will", "believe", "should", "project", "forecast", "plan" and similar expressions, including the negatives thereof, (ii) statements that are based on current

expectations and estimates about the markets in which Maple Leaf operates and (iii) statements of belief, intentions and expectations about developments, results and events that will or may occur in the future, constitute "forward-looking statements" and are based on certain assumptions and analysis made by Maple Leaf. Forward-looking statements in this news release include, but are not limited to, statements with respect to future capital expenditures, including the amount, nature and timing thereof; other development trends within the China's seedling industry; business strategy; expansion and growth of Maple Leaf's business and operations and other such matters. Such forward-looking statements are subject to important risks and uncertainties, which are difficult to predict and that may affect Maple Leaf's operations, including, but are not limited to: the impact of general economic conditions; industry conditions; government and regulatory developments; seedling product supply and demand; competition; and Maple Leaf's ability to attract and retain qualified personnel. Maple Leaf's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do transpire or occur, what benefits Maple Leaf will derive there from.

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.