



Cathay Forest Products Corp.

CATHAY FOREST ANNOUNCES MANAGEMENT CHANGES

FOR IMMEDIATE RELEASE

TSX Venture Exchange symbol: CFZ

TORONTO, ON, June 7, 2010 Cathay Forest Products Corp. (“Cathay Forest” or the “Company”) announced today that effective June 15, 2010, John Duncanson has been appointed as Executive Vice President and Chief Operating Officer.

Mr. Duncanson is a registered professional forester with over 35 years of forest industry experience working in North and South America, Asia, and Europe, including over 15 years of experience working with China-based forestry companies. Mr. Duncanson has been an independent forest consultant with clients that include several large international forestry companies. He is also President of Duncanson Investment Research Inc., a provider of independent investment advice to money managers and institutional investors. From November 2003 to May 2007, Mr. Duncanson was a forest products analyst at Jennings Capital Inc., an independent Canadian investment dealer specializing in the Canadian forest and resource sectors. Prior to becoming an investment analyst, Mr. Duncanson was the Vice-President, Sales for one of Canada’s largest lumber companies and in that position oversaw a sales force of over 80 individuals. For three years in a row, the sales division he headed up was the most profitable sales division in the Noranda Group of companies. At the same time he sat on the operating committees of several companies in the Noranda Group, including; MacMillan Bloedel, Northwood Pulp & Timber, Norbord, and Fraser Paper.

Mr. Duncanson will be responsible for directing and implementing the Company's overall business strategy, as well as overseeing its operations, development strategies and sales and marketing.

Mr. Duncanson replaces Dr. Run-Peng Wei. Dr. Wei has resigned as Chief Operating Officer of the Company and will be taking over the role of Chief Operating Officer of Eco-Energy China Group Inc., a vertically integrated bio-diesel fuel producer in the People’s Republic of China and an affiliate of Cathay Forest. Cathay Forest has invested approximately \$3.9M in Eco-Energy China Group Inc. since July 2009 and owns 26.44% of its issued and outstanding voting securities.

Ermo Ou has also resigned as Vice President, Corporate Planning to pursue other business interests. The resignations of Dr. Wei and Mr. Ou are also effective June 15, 2010.

Mr. Anthony Ng, Chief Executive Officer stated: “We thank Run-Peng and Ermo for all their efforts and their commitment to Cathay Forest, its people and our shareholders. We wish them best of success in their future endeavors”. “We also welcome the arrival of John to the management of Cathay Forest, John has been a long-time supporter of Cathay Forest since its inception.”

About Cathay Forest

Cathay Forest is a forest products company that manages approximately 1,000,000 hectares of standing timber properties and fast-growth, high-yield poplar plantations in China and Russia. Cathay Forest is building a world-class forest products company through a customer base that includes the domestic Chinese pulp and paper industry and other wood products customers in the Japanese market.

Forward-Looking Statements

All statements, other than statements of historical fact, in this news release are forward-looking statements that involve various risks and uncertainties, including, without limitation, statements regarding the future plans and objectives of Cathay Forest. Actual results and future events could differ materially from those anticipated in such statements. Except as required under applicable securities laws, Cathay Forest assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy of this release.

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