FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 —— Name and Address of Company:

Hanfeng Evergreen Inc.
8 King Street East, Suite 838
Toronto, Ontario M5C 1B5

ITEM 2 —— Date of Material Change:

September 28, 2005

ITEM 3 —— News Release:

Issued on September 28, 2005 via Canada NewsWire.

ITEM 4 —— Summary of Material Change:

Commences construction of 100,000 Tonne NPK fertilizer plant

ITEM 5 —— Full Description of Material Change:

Please see the attached Schedule "A" which is incorporated by reference.

ITEM 6 —— Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

n/a

ITEM 7 —— Omitted Information:

n/a

ITEM 8 —— Executive Officers:

Kim Oishi President Tel: (416) 368-8588 Fax: (416) 368-5688

DATED this 6th day of October, 2005

SCHEDULE "A"

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HANFENG EVERGREEN INC.
COMMENCES CONSTRUCTION OF 100,000 TONNE NPK FERTILIZER PLANT

TORONTO, ON, SEPTEMBER 28, 2005 – Hanfeng is pleased to announce that it has commenced construction of a 100,000 tonne per annum high-concentration homogenous compound granular NPK fertilizer plant in Jiangyan, Jiangsu Province China at the same site as Hanfeng's 100,000 tonne per annum sulfur coated urea (SCU) fertilizer plant. The NPK plant is planned to be completed by the second quarter of 2006 with a construction budget of approximately $11 million to be funded with internal resources.

Hanfeng's annual production capacity is expected to increase to 220,000 tonnes per annum by mid 2006, after the completion of the SCU and NPK fertilizer plants. Currently, Hanfeng has 20,000 tonnes of specialty fertilizer capacity at its Shanghai slow-release fertilizer blending plant. Hanfeng estimates that the two new plants will generate total operating cash flow of over $13 million per annum at full capacity from a total capital investment of approximately $40 million. Significant economies of scale in construction and operation are expected due to the SCU and NPK fertilizer plants sharing infrastructure, distribution channels and human resources. Hanfeng's fertilizer sales team reports strong market receptivity for the SCU and premium NPK products from distributors and end-users.

"The Jiangsu fertilizer complex plant represents the next step in our plan to be a leading provider of specialty fertilizers to the agricultural and urban greening markets in China," said Xinduo Yu, CEO and Chairman of Hanfeng. "To achieve this goal Hanfeng has plans to increase its production capacity of slow release and high quality NPK fertilizers. By building production in China, Hanfeng can provide premium fertilizer products at prices that deliver real economic value to the customer and support the sustainable development priorities of the Chinese government."

The NPK plant is being built using technology that Hanfeng acquired earlier this year from a research and development agency of the Shanghai government in a ten year exclusive rights contract. The compound homogenous (or "all-in-one") fertilizer granules produced by this technology are premium quality because of their uniform round shape and high concentration of nutrients. Unlike fertilizer blended from separate materials, each compound granule contains a fixed ratio of nitrogen (symbol: N), phosphate (symbol: P) and potash (symbol: K), facilitating uniform application of all of the key nutrients. In addition, as a high-nitrogen compound fertilizer granule, its nutrient content can reach up to 57% in a 2:1:1 NPK ratio, a level previously unattained in a compound granule.

China is the world's largest consumer of fertilizers, with 2005 consumption estimated to be approximately 50 million tonnes of pure nutrient, representing over 30% of the global market. The Chinese market for NPK fertilizers, including blended NPK and compound NPK granules, was forecast to grow from 10 million tonnes in 2002 to 14 million tonnes by 2005 in a study presented by Dmitry Golubkov of JSC Acron, Russia's largest producer of mineral fertilizers, at the October 2003 International Fertilizer Industry Association Regional Conference for Asia and the Pacific. According to the study, NPK fertilizer use in China comprised only 24% of total fertilizer use in 2002, compared to 50% in developed countries. In addition, the NPK fertilizers currently being produced in China tend to be of lower nutrient concentration and lower quality. This creates an opportunity for Hanfeng to introduce high-quality, high-nutrient concentration NPK fertilizers to China.

About Hanfeng Evergreen
Hanfeng is a leader in China's growing market for urban greening and high value agricultural products and services. Headquartered in Toronto, Canada and with operations in Dalian, Shanghai and Beijing, China, Hanfeng has its own production facilities in China and also imports greening products sourced from leading North American and European suppliers of fertilizers and horticultural products.

This press release contains forward-looking statements based on current expectations. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Risks and uncertainties about the Company's business are more fully discussed in Hanfeng's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada.

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