

GRAND POWER LOGISTICS REPORTS FINANCIAL RESULTS FOR Q2 2011

Calgary, Alberta and Hong Kong, China – August 29, 2011 – Grand Power Logistics Group Inc. (TSXV: GPW), a leading international logistics provider based in Hong Kong and with operations in China, today announced its consolidated financial results for the three month and six month periods ended June 30, 2011. All amounts are expressed in American currency except where noted.

Selected Q2 Financial Highlights

(in thousands except share or % data)	June 30, 2011	June 30, 2010	Change
Revenue	\$12,435	\$21,345	-41.7%
Gross profits	\$910	\$1,911	-52.4%
Gross margins	7.32%	8.96%	-1.64%
Net (loss) income (owners of Corporation)	(\$222)	\$457	-149%
Earnings (loss) per share	(\$0.003)	\$0.009	-\$0.012
	June 30, 2011	Dec. 31, 2010	Change
Total assets	\$28,588	\$28,517	0%
Working capital	\$9,006	\$7,600	+18.5%
Total liabilities	\$14,962	\$15,988	-6.4%
Shareholders' Equity	\$13,626	\$12,529	+8.75%

“The second quarter was a challenging quarter for the company due to the general weakness throughout the logistics sector,” said Mr. Ricky Chiu, President and CEO of Grand Power Logistics Group. “Nevertheless, we continued to make good stride in our cost reduction measures and are prepared to move forward once the sector becomes active again. In addition, I should point out that we made significant progress in the development of the Yangshan International Container Transit Logistics Park Project during the quarter, particularly with the receipt of the Letter of Intent from Industrial and Commercial Bank of China (“ICBC”) to provide RMB 1.6 billion (US\$246 million) project loan to the Yangshan International Container Transit Logistics Park Project. This is a major milestone in the development of this logistics park.”

Q2 2011 Financial Operational Highlights

- Corporation’s subsidiary, Grand Power Express International Limited (“GP Express”), has signed an exclusive partnership contract with Necko Freight Forwarders Ltd. (a subsidiary of Budget Couriers Pvt Ltd.) to develop airfreight and ocean freight markets between India, Hong Kong and Greater China.
- Corporation’s subsidiary, Grand Power Logistics Development Limited (“GPLD”), has received a Letter of Intent from Industrial and Commercial Bank of China (“ICBC”) in Zhoushan city, Zhejiang province, China to provide RMB 1.6 billion (US\$246 million) project loan to the Yangshan International Container Transit Logistics Park Project (“Yangshan Project”).
- Corporation has fully contributed US\$7,500,000 in registered capital of Grand Power Express International (China) Limited (“GPE China”), a company subsidiary located in Shanghai. With GPE China’s registered capital fully contributed, Grand Power is now allowed to establish up to 100 branches in China without requiring additional registered capital or application.

Q2 2011 Financial Results

Sales revenue for the three months ended June 30, 2011 decreased by \$8,909,269 (41.7%) to \$12,435,278 from \$21,344,547 in 2010. The decrease in sales revenue for the quarter reflected the transformation of the subsidiary, Beijing Jinfeng International Logistics Ltd., in becoming a minority owned subsidiary during the fourth quarter of 2010 as a result of the dilution due to the increase of the share capital of this Beijing subsidiary, and the general weakness in the world economy. In addition, the restructuring of the Corporation's operations in China since 2009 to focus more on higher margin business had also led to the decrease in the Corporation's revenue.

Gross profit for the three months ended June 30, 2011 decreased by 52.4% to \$909,956 compared to \$1,911,466 in 2010, and gross profit margin decreased to 7.32% compared to 8.96% for 2010. The decrease in gross profit in the second quarter of 2011 compared to that in the corresponding quarter in 2010 is mainly due to a decrease in revenue. The Corporation experienced an exceptionally good second quarter in 2010 due to the rebounding of the world economy from the severe recession experienced during 2008 and 2009. The decrease in gross profit margin per tonne is primarily due to the decrease in direct sales during the quarter.

The net loss for the three months ended June 30, 2011, excluding non-controlling interest, was \$222,372 compared to a net profit of \$457,090 in 2010. Operating expenses for the three months ended June 30, 2011 decreased by 26.9% to \$1,135,420 compared to \$1,554,040 in 2010. This decrease of expenses was primarily as a result of the Corporation's restructuring program initiated in 2008 and having Beijing Jinfeng International Logistics Ltd. becoming a minority owned subsidiary.

Sales revenue for the six months ended June 30, 2011 decreased by \$11,765,801 (32.5%) to \$24,454,439 from \$36,220,240 in 2010. Gross profit for the six months ended June 30, 2011 decreased by 40.4% to \$1,736,261 compared to \$2,914,336 in 2010, gross profit margin decreased to 7.10% compared to 8.05% for 2010. The net loss for the six months ended June 30, 2011 was \$504,460 compared to a net loss of \$406,873 in 2010. Operating expenses for the six months ended June 30, 2011 decreased by 29.7% to \$2,335,643 compared to \$3,321,775 in 2010.

As at June 30, 2011, Grand Power had working capital of \$9.0 million, including cash totaling \$6.2 million. This compares to \$7.6 million and \$4.4 million, respectively, at December 31, 2010. At June 30, 2010, the Company's liabilities totaled \$14.96 million, down from \$15.98 million at the year end of 2010.

Outlook

"In the coming quarters, we will continue to focus in the development of the Yangshan International Container Transit Logistics Park Project, located at the Yangshan Deep-Sea Port near Shanghai. Once completed, the Yangshan Deep-Sea Port will become the largest international shipping hub in the world and the logistics park will be an important part of this shipping hub. In addition to gaining significant shareholder value, once developed, the Yangshan International Container Transit Logistics Park Project will also provide the company with a long term growth potential." said Ricky Chiu, President and CEO of Grand Power Logistics Group.

About Grand Power Logistics Group Inc.

Grand Power Logistics Group Inc. operates principally through its wholly owned Hong Kong based subsidiary, Grand Power Express International Limited (GP Express), and provides air-freight forwarding and sea-freight services, customs brokerage, logistics, warehousing and distribution, as

well as other value added services. GP Express has established operations in various regions, particularly in the Greater Pearl River Delta (GPRD), China's largest economic region. GP Express' Subsidiaries or Branch Offices in this region are located in Macau, Shenzhen and Guangzhou. GP Express also operates in other regions through Subsidiaries and Branch Offices or Supporting Offices in Shanghai, Beijing, Tianjin and Xiamen. For more information, please visit <http://www.grandpowerlogistics.com>

Forward-looking Information

Statements included in this press release that are not historical facts may be considered "forward looking statements". All estimates and statements that describe the Company's objectives, goals or future plans are forward looking statements. Forward-looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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