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GAR'S SUBSIDIARIES SMART AND IMT SUBMIT HCV COMPENSATION AND DEEP PEAT MITIGATION (RESTORATION) PLANS

Jakarta, Singapore, 31 May 2011 – Golden Agri-Resources Ltd's (GAR) subsidiaries PT SMART Tbk (SMART) and PT Ivo Mas Tunggal (IMT), submit the High Conservation Value (HCV) compensation and deep peat mitigation (restoration) plans to the Roundtable on Sustainable Palm Oil Grievance Panel (The RSPO Panel). The HCV compensation plan was submitted earlier and the deep peat mitigation (restoration) plan was submitted today.

Other updates include:

1. Social research

GAR, SMART and IMT have requested for a one month extension for the publication of the social research report that was due at the end of May 2011. The request for further time on the report was a result of the extensive fieldwork that was required and the time needed to analyse and present the data. The teams are currently working on the translation of the report and both the English and Bahasa versions will be publicly available at the end of June 2011 via the websites of RSPO, GAR and SMART.

The companies engaged Tanjungpura University (UNTAN), Faculty of Agriculture, West Kalimantan, to conduct the social research. UNTAN commenced work in November 2010 and was assisted by Palangka Raya University, Faculty of Agriculture, Central Kalimantan to conduct the fieldwork for Central Kalimantan. The research team was led by Prof Em Drs Syamsuni Arman who is a Professor Emeritus in Public Administration at the Faculty of Social and Political Sciences of Tanjungpura University in Pontianak.

Following their field visit, top line findings have been compiled for the RSPO Panel and it was noted that GAR, SMART and IMT have been operating in accordance with RSPO Criterion 2.3, 7.3, 7.5 and 7.6 and identified some cases involving dispute of land ownership.

GAR, SMART and IMT have put in place a social research task force and this team reports to GAR's RSPO certification steering committee. As part of The Forest Trust's (TFT) role in helping with the RSPO certification and development of the Social and Community Engagement policy, we will work with TFT to follow through on the recommendations of the social research team. The RSPO certification steering committee is chaired by Daud Dharsono, President Director of SMART.

2. High Conservation Value (HCV) compensation and deep peat mitigation (restoration)

As highlighted earlier, the final report of the HCV historic assessment together with the compensation plan were submitted. It is currently under review by the RSPO Panel. This report was conducted by the Faculty of Forestry of Bogor Agriculture Institute (IPB), led by Ir. Nyoto Santosa, an RSPO-registered HCV assessor. The RSPO Panel required that SMART and IMT develop, implement and independently verify an acceptable package of measures related to the land cleared by SMART without HCV assessment; a) Compensation for the instances of land cleared between November 2005 and November 2007 according to guidance established by the RSPO; and b) Suitable additional remediation measures agreed in consultation with the RSPO for the land cleared after November 2007.

SMART and IMT have also submitted the deep peat mitigation (restoration) plan. Both companies engaged a Peat Restoration Team (PRT) which consists of the Faculty of Agriculture of IPB and the

Indonesian Centre for Agricultural Land Resources Research and Development. The PRT visited the affected areas in West Kalimantan and Central Kalimantan in December 2010.

Conclusion

GAR, SMART and IMT will focus on issuing the social research report in June 2011. The companies will also work closely with the RSPO and the relevant stakeholders to implement the HCV compensation and peat mitigation (restoration) plans.

About Golden Agri-Resources Ltd ("GAR")

GAR is the world's second largest palm oil plantation company with a total planted area of 443,500 hectares (including smallholders) as at 31 March 2011, located in Indonesia. It has integrated operations focused on the production of palm-based edible oil and fat.

Founded in 1996, GAR is listed on the Singapore Exchange since 1999 with a market capitalisation of US\$6.6 billion as at 31 March 2011. Flambo International Ltd is GAR's largest shareholder, with a 49.6% stake. GAR has several subsidiaries, including PT SMART Tbk which is listed on the Indonesia Stock Exchange since 1992.

GAR is focused on sustainable palm oil production. In Indonesia, its primary activities include cultivating and harvesting of oil palm trees; processing of fresh fruit bunch into crude palm oil ("CPO") and palm kernel; and refining CPO into value-added products such as cooking oil, margarine and shortening. It also has integrated operations in China including a deep-sea port, oilseeds crushing plants, production capabilities for refined edible oil products as well as other food products such as noodles.

About PT SMART Tbk ("SMART")

SMART is one of the largest, publicly-listed, integrated palm-based consumer companies in Indonesia with a total planted area of 137,500 hectares (including smallholders) as at 31 March 2011. It has integrated operations focused on the production of palm-based edible oil and fat.

Founded in 1962, SMART is listed on the Indonesia Stock Exchange since 1992. SMART is a subsidiary of Golden Agri-Resources Ltd ("GAR"), the world's second largest palm oil plantation company which is listed on the Singapore Exchange.

SMART is focused on sustainable palm oil production. Its primary activities include cultivating and harvesting of oil palm trees, processing of fresh fruit bunch into crude palm oil ("CPO") and palm kernel, and refining CPO into value-added products such as cooking oil, margarine and shortening.

Besides bulk and industrial oil, SMART's refined products are also marketed under several brands such as Filma and Kunci Mas. Today, these brands have been recognised for their high quality and command significant market share in their respective segmentation in Indonesia.

SMART also manages all oil palm plantations of GAR. This relationship benefits SMART with its economies of scale in plantation management, information technology, research and development, sourcing of raw material, and access to a wide domestic and international marketing network.

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