

Press Release

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Golden Agri-Resources announces 17-for-100 rights with free warrants issue to promote sustainable growth

- Forward looking rights issue is initiated from a position of strength
- Net proceeds of the rights issue is expected to be approximately S\$311.1 million

Singapore, 27 May 2009 – Golden Agri-Resources Ltd (“GAR” or the “Group”) is proposing to carry out an underwritten renounceable rights issue (“Rights Issue”). The Rights Issue price is 18 Singapore cents per share, on the basis of 17 rights shares for every one hundred existing shares outstanding and two free detachable warrants for every five rights shares subscribed (“Warrants”). The Warrants, which have a 3-year maturity date, are exercisable at maturity at an exercise price of 54 Singapore cents per share and at a conversion ratio of one warrant to one share. GAR’s closing share price on 26 May 2009 was 45 Singapore cents.

The Rights Issue is expected to raise funds of approximately S\$311.1 million, while the Warrants proceeds are expected to be approximately S\$381.0 million, assuming all warrants are exercised.

The proposed Rights Issue has been initiated by GAR from a position of strength. It is forward looking and intended to provide the Group with the capital and financial flexibility to expand organically as well as undertake any external acquisition opportunities as and when these arise. The issue of Warrants will reward subscribing shareholders, maintain good long-term relationships with shareholders, and also provide GAR with additional future liquidity if exercised at maturity.

To demonstrate their commitment to the Group, Massingham International Ltd and Flambo International Limited, together with their respective nominees and custodians, which directly hold in aggregate 48.59% of GAR's issued share capital, have undertaken that they will fully subscribe for their respective entitlements under the Rights Issue. The balance of the rights shares are underwritten by the Joint Lead Managers and Joint Underwriters: BNP Paribas, Singapore Branch; Credit Suisse (Singapore) Limited; and UBS AG, acting through its business division, UBS Investment Bank.

Group Chief Executive Officer, Franky O. Widjaja stated, "The proposed Rights Issue is a part of our growth strategy. It will provide capital to promote sustained growth, allow us to take advantage of value-creating expansion opportunities, proactively strengthen our balance sheet and provide financial flexibility. Ultimately, our aim is to maximise returns to shareholders over the long-term."

Mr Widjaja further highlighted, "The proposed Rights Issue will strengthen our competitive position and prepare us for potential acquisition opportunities when they arise. These efforts will form the foundation of Golden Agri's continued growth and profitability well into the future."

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ABOUT GOLDEN AGRI-RESOURCES LTD ("GAR")

GAR's primary activities include the cultivating and harvesting of oil palm trees; processing of fresh fruit bunches into crude palm oil ("CPO") and palm kernel; and refining CPO into value-added products such as cooking oil, margarine and shortening.

GAR operates a total planted area of approximately 396,000 hectares, as well as 33 palm oil processing mills, three refineries and five kernel crushing plants in Indonesia.

GAR also operates in China through an integrated deep-sea port, storage, oilseed crushing facilities and refinery facilities in Ningbo and Zhuhai.

GAR and its subsidiaries generated revenue of US\$3.0 billion in 2008 and net profit of US\$1.4 billion in 2008. The Company has been listed on the Singapore Exchange since 1999.