


Change in Capital :: Convertible Securities :: Acquisition; Further Investment and Use of Proceeds

* Asterisks denote mandatory information

Name of Announcer *	GOLDEN AGRI-RESOURCES LTD
Company Registration No.	UF 24045G
Announcement submitted on behalf of	GOLDEN AGRI-RESOURCES LTD
Announcement is submitted with respect to *	GOLDEN AGRI-RESOURCES LTD
Announcement is submitted by *	Kimberley Lye Chor Mei
Designation *	Director, Corporate Secretarial
Date & Time of Broadcast	21-Dec-2012 18:15:58
Announcement No.	00122

>> Announcement Details

The details of the announcement start here ...

Announcement Title *	Acquisition; Further Investment and Use of Proceeds
Specific shareholder's approval Required? *	No

Description	<p>The Board of Directors of Golden Agri-Resources Ltd ("GAR" or the "Company" and together with its subsidiaries, the "Group") wishes to announce the following:-</p> <p>(1) ACQUISITION OF ASSETS</p> <p>The Group will acquire approximately 16,000 hectares of palm oil plantations in Indonesia (the "Acquisition") for a total cash consideration of USD 178 million (the "Consideration"). The vendor in the Acquisition is an unrelated party and the Consideration was determined on a willing buyer willing seller basis based on a valuation of the underlying assets.</p> <p>(2) FURTHER INVESTMENT IN THE VERDANT FUND LP</p> <p>The Company intends to make a further investment of USD 220 million in The Verdant Fund LP (the "Fund"), a private equity fund aimed at developing palm oil plantations with its first development starting in Liberia. As the Fund is exploring various investment opportunities, the additional investment in the Fund will be used to further develop the on-going Liberia project and to acquire palm oil plantations in Indonesia. This will be the Fund's first investment in Indonesia. The Fund will continue to acquire palm oil plantation as and when the opportunity arises.</p> <p>The Fund has engaged the Company on an exclusive basis as a technical advisor to utilise the Group's technical expertise in large-scale cultivation of sustainable palm plantations.</p> <p>(3) USE OF PROCEEDS</p> <p>The Acquisition and the further investment in the Fund is in line with the ordinary course of the business of GAR, and shall be funded from the balance of the unused portion of the proceeds of its recent exercise of 698,871,614 Warrants eW120723 ("Warrants Exercise") amounting to SGD 212.3 million (equivalent to approximately USD 168 million); and part of its net proceeds of approximately USD 394.45 million from the issue of USD 400,000,000 2.5 per cent. convertible bonds due 2017 ("Convertible Bonds Issue"). Following such application, the proceeds from the Warrants Exercise will be fully utilized.</p> <p>The use of proceeds is in accordance with the use as stated in the Company's previous announcements.</p> <p>The Company will continue to make appropriate announcements on the utilisation of the remaining balance proceeds from the Convertible Bonds Issue, as and when such proceeds are materially disbursed, and provide a status report on the use of such proceeds in the Company's annual report.</p>
-------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The Acquisition and the Company's further investment in the Fund are separate and independent transactions, and are not inter-conditional. The Acquisition and the further investment in the Fund will not have any material impact on the net tangible asset per share or the earnings per share of the Company for the current financial year. None of the directors or controlling shareholders of the Company have any interest, direct or indirect, in the Acquisition or the further investment in the Fund.

By Order of the Board
GOLDEN AGRI-RESOURCES LTD

Rafael Buhay Concepcion, Jr.
Director
21 December 2012

Attachments

Total size = 0
(2048K size limit recommended)

[Close Window](#)