

**BUMITAMA AGRI LTD.**

(Incorporated in Singapore)

(Company Registration Number: 200516741R)

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**MATTER RELATING TO *IJIN LOKASI* IN RESPECT OF THE PLANTATION LAND OF PT. HATIPRIMA AGRO**

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The Board of Directors of Bumitama Agri Ltd. (the “**Company**”) wishes to announce that the Company had received a letter from the Head of Regency of Kotawaringin Timur in June 2012 stating that the District Regional Government of Kotawaringin Timur had revoked the *Ijin Lokasi* in respect of the plantation land belonging to one of its subsidiaries, PT. Hatiprima Agro (“**HPA**”, and the revocation of *Ijin Lokasi*, the “**Revocation of Location Permit**”), based on a decree from the Indonesian Ministry of Forestry in 2008 (the “**2008 Decree of Revocation**”) that the decree of forest relinquishment issued to HPA in 2000 (the “**Forest Relinquishment Decree**”) was revoked.

The Company wishes to state that it was made aware of the 2008 Decree of Revocation (on which the Revocation of Location Permit is based) only when the letter from the Head of Regency of Kotawaringin Timur was received, and had not received any prior warning letters in relation to the same. HPA had also applied for and successfully obtained its *Ijin Lokasi* over the land, and its Plantation Business Licence from the District Regional Government of Kotawaringin Timur, in 2009 and 2010 respectively based on the Forest Relinquishment Decree, and had commenced its planting activities over the land since 2010 based on its Plantation Business Licence. The Company also understands that the land under the *Ijin Lokasi* of HPA had also been re-designated to non-forestry area by the Indonesian Ministry of Forestry in 2011. Accordingly, and after making inquiries and conducting preliminary investigations, the Company believes that the Revocation of Location Permit is without merit, and intends to commence legal proceedings to vigorously defend its position.

The *Ijin Lokasi* of HPA covered 4,810 hectares of land, of which 3,420 hectares are planted area as at 31 March 2012. The cultivated and uncultivated land covered by the *Ijin Lokasi* of HPA thus represents 2.9% and 1.9% of the Group’s total cultivated and uncultivated land, respectively.

The Company will make such further announcements as and when appropriate to keep shareholders informed of any further development on the above matter.

By Order of the Board

Lim Gunawan Hariyanto  
Executive Chairman and CEO

Date: 11 July 2012

*The Joint Issue Managers for the Company’s initial public offering are DBS Bank Ltd and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch. The Joint Issue Managers assume no responsibility for the contents of this announcement.*