

## Yamada Green Resources Limited

(Company Registration No. 201002962E) (Incorporated in the Republic of Singapore)

Yamada Green Resources Limited (the "Company") was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 8 October 2010. The initial public offering (the "IPO") of the Company was sponsored by DMG & Partners Securities Pte Ltd (the "Issue Manager"). The Issue Manager assumes no responsibility for the contents of this announcement.

## COMPENSATION TO FUZHOU WANGCHENG FOODS DEVELOPMENT CO., LTD FOR THE EXPROPRIATED LAND

The Board of Directors of Yamada Green Resources Limited (the "Company") wishes to announce that the Company's wholly-owned subsidiary, Fuzhou Wangcheng Foods Development Co., Ltd ("Wangcheng") had, on 23 December 2010, entered into an agreement (the "Agreement") with the Fuzhou Ring Expressway (Minhou Session) Land Expropriation and Demolishment Office (福州绕城高速公路(闽侯段)征地拆迁指挥部) (the "Office") for the expropriation of part of the industrial land located at Houyu Village, Jingxi Town, Fuzhou City, Fujian Province, PRC, which measures 20.75 mu\* (the "Expropriated Land").

The terms of the compensation for the Expropriated Land are summarised as below:

- Cash compensation to Wangcheng of RMB4,461,250 (approximately SGD879,237.29\*\*) for the Expropriated Land measuring 20.75 mu\*;
- 2. Cash compensation to Wangcheng of **RMB698,160** (approximately **SGD137,595.59**\*\*) for structures, green-belt and other auxiliary facilities;
- 3. Cash compensation to Wangcheng of **RMB53,000** (approximately **SGD10,445.41**\*\*) for survey fee incurred by Wangcheng;
- 4. Wangcheng will vacate the Expropriated Land within 7 days from the date of the Agreement;
- 5. The Office will build a 5-metre wide green-belt close to the side of Wangcheng's factory building on the Expropriated Land before the Fuzhou Ring Expressway (福州绕城高速公路) is opened to traffic:
- 6. The Office will build an effective noise baffle close to the side of Wangcheng's factory building on the Expropriated Land before the Fuzhou Ring Expressway (福州绕城高速公路) is opened to traffic; and
- 7. Upon completion of the demolition works, the Office will leave a 2-metre wide space close to the side of Wangcheng's factory building on the Expropriated Land till 31 January 2011 for Wangcheng to construct a new wall/fence.

The Group has been made aware of the land acquisition and has not planned for any capacity expansion or production on the Expropriated Land. As such, the land acquisition will not affect the Group's current operations or future plans presented in the Prospectus dated 29 September 2010.

The transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2010.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction, saved for their interests arising by way of their directorships in the Company.

By order of the Board

Chen Qiuhai Executive Chairman and CEO 23 December 2010

<sup>\*1</sup> mu is equivalent to approximately 667 square metres

<sup>\*\*</sup>Based on the exchange rate of RMB5.074: SGD1.00 as at 22 December 2010