

HALCYON AGRI CORPORATION LIMITED

Company Registration No. 200504595D
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION BY PT. HEVEA M K, A SUBSIDIARY OF HALCYON AGRI CORPORATION LIMITED, OF ASSETS (AS DEFINED HEREIN) VIA THE ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF PT. GOLDEN ENERGI

The Board of Directors (the “**Board**”) of Halcyon Agri Corporation Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s indirectly owned subsidiary, PT. Hevea M K (“**PT Hevea**”), has on 11 September 2013, entered into a term sheet (the “**Term Sheet**”) with Mr Basuki Prawono Winata and Mr Hendrik Oking (collectively, the “**Vendors**”) for the acquisition of a rubber processing factory in Jambi Province, Indonesia, together with all associated buildings, plant and machinery and leasehold land on which these assets are located and operated (the “**Assets**”), via the acquisition of the entire issued and paid-up share capital PT. Golden Energi, a company which owns the Assets (the “**Proposed Acquisition**”).

The purchase consideration for the Proposed Acquisition is United States Dollars Seven Million only (US\$7,000,000) which was arrived at after arm’s length negotiations on a “willing seller – willing buyer” basis, after taking into consideration, *inter alia*, commercial factors and potential synergistic benefits to the Group arising from the Proposed Acquisition. The Proposed Acquisition will be funded through internal resources and/or bank borrowings.

The terms of the Proposed Acquisition are being negotiated and subject to, *inter alia*, due diligence and the negotiation and execution of definitive agreements. PT Hevea and the Vendors shall exercise their best endeavours to negotiate, finalise and execute definitive agreements and complete the Proposed Acquisition by 31 December 2013 (or such date as PT Hevea and the Vendors may both agree in writing), failing which the Term Sheet will terminate.

As at the date hereof, none of the Directors and to the best of the Directors’ knowledge, none of the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Acquisition, other than that arising from their respective shareholdings in the Company, if any.

The Company will make further announcements as and when definite agreements have been entered into for the Proposed Acquisition.

Shareholders of the Company and potential investors should exercise caution when trading in the shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

By Order of the Board

Robert Meyer
Executive Chairman and CEO
11 September 2013

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 1 February 2013. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.