



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.

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The Board of Directors of Yamada Green Resources Limited (the "Company") refers to the issue of 74,911,957 new shares at S\$0.22 each in the capital of the Company pursuant to the IPO of its shares on 8 October 2010.

The following table summarises the net proceeds from the IPO:

Proceeds	S\$'000
Amount raised	16,481
Less : Listing expenses	2,942
Net IPO Proceeds	13,539

The Company wishes to announce that the Group had entered into various agreements (collectively, the "**Agreements**") to invest an aggregate of approximately **RMB21.5 million** (approximately equivalent to **S\$4.2 million***). The Company intends to fund the investments from the net proceeds from the IPO of approximately **S\$13.5 million** (approximately equivalent to **RMB68.4 million***).

The details of the Agreements are summarised as follow:

(i) Expand our eucalyptus plantations

The Group has acquired additional non-matured eucalyptus plantations and the corresponding forestry land use rights measuring 3,360 mu**. The total investment, including corresponding forestry land use rights, amounts to approximately **RMB18.8 million** (approximately equivalent to **S\$3.7 million***) which will be funded from the net proceeds from the IPO.

(ii) Strengthen processing capabilities of our konjac-based processed food products

The Group has acquired konjac-based processed food products production line comprising machinery and auxiliary facilities. The total cost for the invest amounts to approximately **RMB2.7 million** (approximately equivalent to **S\$0.5 million***) which will be funded from the net proceeds from the IPO.

*Based on the exchange rate of RMB5.053: SGD1.00 as at 30 November 2010

**1 mu is equivalent to approximately 667 square metres

The following table summarises the use of the net proceeds from the IPO to-date:

Future Plans	Proposed	Utilisation pursuant to the Agreements	Unutilised
	SGD	SGD	SGD
Expand our shiitake mushroom cultivation bases	4.6 million	-	4.6 million
Expand our eucalyptus plantations	5.0 million	3.7 million	1.3 million
Establish our own distribution and marketing network	2.0 million	-	2.0 million
Strengthen processing capabilities of our konjac-based processed food products	1.8 million	0.5 million	1.3 million
Balance as working capital	0.1 million	-	0.1 million
Total	13.5 million	4.2 million	9.3 million

The above utilisations are in accordance with the intended use of the proceeds from the IPO as stated in the Prospectus dated 29 September 2010.

The Company will make further announcements via SGXNET when the remaining proceeds of the Company's IPO are materially disbursed. The Company would also provide a status report on the use of IPO proceeds in the annual report of our Company.

By order of the Board

Chen Qiu Hai
Executive Chairman and CEO

1 December 2010