

GMG GLOBAL LTD

(Company Registration Number: 199904244E)
(Incorporated in the Republic of Singapore)

UPDATE IN RELATION TO SUD-CAMEROUN HEVEA, SA

*Capitalised terms used in this announcement shall, save as otherwise defined, have the same meanings as ascribed to them in the announcement of GMG Global Ltd dated 12 October 2010 in respect of Sud-Cameroun Hevea, SA (**Announcement**).*

The Board of Directors (**Board**) of GMG Global Ltd (**Company**) refers to the Announcement in relation to the establishment of a joint venture company, Sud-Cameroun Hevea, SA (**SCH**) in the Republic of Cameroon by its wholly-owned subsidiary, GMG International S.A. with Societe De Production De Palmeraies ET D'Hevea (**SPPH**) for the purpose of securing two land concessions in the District of Meyomessala, Cameroon covering an area of 45,000 hectares.

The Board is pleased to update that in line with the plans of SCH as stated in the Announcement, SCH has secured from the Republic of Cameroon a package of investment incentives (including tax) on the terms and conditions of a *Convention d'Etablissement*. The clauses of the *Convention d'Etablissement* include, inter alia, the following:-

(a) an investment program which is outlined into 2 phases with a project cost estimated at 203 billion CFA;

(b) that SCH was granted the exclusive right to (i) carry out production in a specified area or in other areas of Cameroon; (ii) develop and maintain the said area as a production area; (iii) export exclusively from the said area any rubber and palm oil produced in the plantations; and (iv) grow other agricultural products in the said area.

The *Convention d'Etablissement* which takes effect on 12 December 2011 is for an initial term of 50 years and may be renewed for a further period of 25 years.

The *Convention d'Etablissement* was entered into by SCH in the ordinary course of business. Barring unforeseen circumstances, the above is not expected to have any material impact on the net tangible assets per share and the earnings per share of the Group for the current financial year ending 31 December 2011.

None of the directors, controlling shareholders or substantial shareholders of the Company have any interest, direct or indirect, in the *Convention d'Etablissement*.

By order of the Board
Yao Xingliang
Chief Executive Officer

15 December 2011