



28 May 2007

Dear Queensland Cotton shareholder

**OLAM ANNOUNCES SUPERIOR UNCONDITIONAL OFFER WHICH HAS THE UNANIMOUS RECOMMENDATION OF THE QUEENSLAND COTTON BOARD**

**ACCEPT OLAM'S OFFER NOW AND BE PAID WITHIN 5 DAYS**

**IGNORE ALL CORRESPONDENCE FROM LOUIS DREYFUS**

Olam Australia Pty Limited (**Olam**) has increased its offer price for Queensland Cotton Holdings Limited (**Queensland Cotton**) to \$5.65 per share (the **Increased Offer**). In addition, Olam Australia will further increase its offer price to \$5.90 per share if Olam acquires a relevant interest in at least 75.1% of Queensland Cotton Shares pursuant to this Offer.

**SUPERIOR OFFER PRICE**

The respective increased offer prices are \$0.34 and \$0.59 per share higher than the \$5.31 offered by Louis Dreyfus.

By setting the threshold for the \$5.90 price at 75.1% instead of 90%, the payment of a higher price is no longer dependent on whether or not Louis Dreyfus accepts Olam's Offer.

If you have already accepted (and not withdrawn your acceptance of) Olam's initial offer, you will receive the increased offer price.

**UNANIMOUS QUEENSLAND COTTON BOARD RECOMMENDATION**

The Board of Directors of Queensland Cotton unanimously recommends that all Queensland Cotton shareholders accept the Increased Offer (in the absence of a superior proposal). Each of the directors will immediately accept the Increased Offer in respect of all shares they personally own or control.

**OFFER IS UNCONDITIONAL - ACCEPT NOW AND BE PAID WITHIN 5 DAYS**

Olam has waived all outstanding bid conditions and has declared its Offer unconditional. Therefore, anyone who accepts will be paid \$5.65 within 5 days (and should Olam acquire 75.1% at a later date, an additional payment will be made within 5 days of 75.1% being obtained). Shareholders who have already accepted (and have not withdrawn their acceptance) will be paid within 5 days.

**IGNORE ALL CORRESPONDENCE FROM LOUIS DREYFUS**

If you accept Louis Dreyfus' INFERIOR offer you may not be able to withdraw your acceptance and be able to benefit from Olam's SUPERIOR Offer. **Accordingly, please IGNORE all correspondence from Louis Dreyfus.**

**OLAM IS GENUINELY COMMITTED TO FURTHER BUILDING QUEENSLAND COTTON**

The objective of Olam's Offer is to allow Queensland Cotton the opportunity to realise its full potential through a partnership with a leading global player such as Olam, while maintaining its uniquely Australian heritage.

Olam is genuinely committed to the Queensland Cotton name, the company's Brisbane head office, existing management team and the company's commitment to rural Australia.

**OLAM APPEALS TO YOU TO CONSIDER WHO WILL BE THE BEST OWNER OF QUEENSLAND COTTON**

We believe it is important for you to consider carefully which party you believe will better protect and enhance Queensland Cotton's heritage and everything it stands for.

In this regard, in addition to the points above, we would like to highlight that all of Olam's dealings with your company have been undertaken on a friendly basis and that Olam is proposing to pay full and fair value for every share it acquires in your company.

In contrast, Louis Dreyfus has been a shareholder of Queensland Cotton since 2001 and in that time has done little to assist the company in building its operations or expanding its capabilities. In fact, when Queensland Cotton was grappling with some of the worst conditions it has faced in many years, Louis Dreyfus acquired an additional 5% of your company at depressed share prices of less than \$3.36 per share. Finally, rather making a competing proposal in a friendly manner, Louis Dreyfus instead commenced proceedings against your company and its directors in the Australian Takeovers Panel, thereby further diverting valuable financial resources and management time.

**THE OFFER IS SCHEDULED TO CLOSE AT 7PM (BRISBANE TIME) ON 15 JUNE 2007 (UNLESS EXTENDED)**

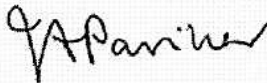
If you have already accepted Olam's Offer (and not withdrawn your acceptance) for Queensland Cotton you need not take any action.

**If you have previously accepted but withdrawn your acceptance, or if you have not yet accepted, I strongly encourage you to accept the Increased Offer without delay.**

Enclosed with this letter is a formal variation notice in relation to the Increased Offer as well as an acceptance form.

If you need further information please call the Olam Offer Information Line on 1300 135 403 (Australian callers) or +61 2 8280 7482 (overseas callers).

Yours sincerely



Jagdish A.P. Parihar  
Director  
Olam Australia Pty Ltd