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NEWS RELEASE

TATA CHEMICALS TO INVEST US\$290M FOR 25.1% STAKE IN OLAM AND THE REPUBLIC OF GABON'S UREA MANUFACTURING PROJECT IN GABON

- **Project execution is significantly derisked as Olam together with Tata Chemicals brings critical expertise in project management, production, operations and maintenance, and sales and marketing of fertilisers.**
- **Crystallises valuation of the project after an independent and critical evaluation of project economics by an established fertiliser player; validates the attractiveness of this project as an excess return opportunity.**

Singapore, April 11, 2011 - Olam International Limited ("**Olam**"), a leading global, integrated supply chain manager and processor of agricultural products and food ingredients, announced today that Tata Chemicals Limited ("**TCL**"), a part of the Tata Group of Companies, and a global company with business interests that focus on living, industry and farm essentials, will invest US\$290 million to acquire 25.1% equity stake in the Urea Manufacturing Project ("**Project**") in Gabon from Olam and the Republic of Gabon ("**RoG**").

As announced in November 2010, the port-based ammonia-urea fertiliser complex in Gabon is being set up through a joint venture between Olam (80%) and RoG (20%) at an estimated project cost of US\$1.3 billion. 65% (US\$845 million) of the estimated capital cost is to be funded by non-recourse debt financing and the balance 35% (US\$455 million) through equity investment by shareholders.

The investment by TCL represents an Enterprise Valuation ("**EV**") of US\$2 billion for the Project or a 54% premium over its book value. Assuming US\$845 million of debt, this translates to an equity valuation of US\$1.155 billion or 154% premium over book value of equity.

With TCL's 25.1% stake in this Project, Olam's and RoG's shareholding in the Project will reduce from 80.0% to 62.9% and 20.0% to 12.0% respectively. Correspondingly, Olam's share of the total equity investment in the Project will reduce from US\$364 million to US\$146 million. RoG's share of the equity investment will also reduce from US\$91 million to US\$19 million.

Execution work on Stream 1 of 1.3 million TPA of Urea has already commenced and it is expected to be commissioned in three years time. The operational capacity would be 1.3 million MT Urea p.a. (2,200 MT Ammonia and 3,850 MT Urea per day).

This Ammonia / Urea Venture in Gabon will ultimately result in setting up of two streams, each of 1.3 million TPA of Urea with matching ammonia capacity for which feedstock agreement at competitive prices has already been entered into with the RoG. Time schedule for executing Stream 2 would be mutually decided by Olam, RoG and TCL over the next 24 months. TCL is expected to hold significantly higher stake in stream 2. Combined, the Project is envisaged to have a capacity of 2.6 million MT p.a.

TCL was promoted by Tata Sons in 1939; Tata group has a consolidated market capitalisation of US\$99 billion and is one of India's and Asia's leading business groups. TCL is a market leader in the Urea and Phosphatic fertilizer segment and operates one of the world's most energy efficient Urea facilities of 1.25 million tons per annum capacity at Babrala in Uttar Pradesh, India. TCL is also a leading manufacturer of Di-ammonium phosphate (DAP) and NPK fertiliser at its Haldia plant in West Bengal, India. In addition, TCL has a Phosphoric Acid manufacturing joint venture in Morocco.

As a strategic partner to the Project, TCL will be primarily responsible for project management during the erection and commissioning of the plant as well as operation and maintenance ("**O&M Contract**") of the plant for the first three years post commercial production. The O&M Contract may be renewed for a mutually agreed period. Sales and marketing of ammonia and urea products will be jointly undertaken by Olam, RoG and TCL through a joint venture agreement in which Olam and TCL would hold equal stake. In addition, TCL has committed to off-take 25% of the urea output into Indian markets, subject to the de-regulation of urea imports into India.

Olam's Group Managing Director & CEO, Sunny Verghese said: "We believe, together with Olam's team, Tata Chemicals' participation in the Project as a strategic partner with substantial expertise in Urea Manufacturing, project management and execution will ensure successful implementation of the Project on time and on

budget and substantially derisk our execution of this Project. The investment by an established fertiliser player such as Tata Chemicals clearly validates and confirms that this Project is an attractive excess return opportunity.”

Mr. R. Mukundan, Managing Director of Tata Chemicals Limited said, “TCL is delighted to partner with Olam and the Republic of Gabon to deliver value to all stakeholders. TCL has a significant presence in Kenya, South Africa and Morocco and this Project is also in line with our focus to partner in the growth and development of Africa.”

He further added, “This investment brings us the strategic advantage of sufficient Gas tied up at competitive fixed price for both the streams. The feedstock is assured in terms of quality and quantity under a 25 year competitive fixed-price natural gas contract with Republic of Gabon. This plant is envisaged to be one of the lowest cost urea manufacturing facilities globally. Strategically located near Gabon’s main seaport, it also enables efficient and cost effective material handling and proximity to target markets i.e. Africa, North America, Latin America and India. Up to 25% of the production would be reserved for sales in India through the existing TCL network, subject to de-canalisation in India. This is a value accretive project with expected yearly EBITDA of US\$300 million to US\$350 million per stream. We believe this Project will fill the gap of growing Agri-inputs need in Africa, Latin America and Asia.”

Project Execution Risks Mitigated

Olam has already done considerable work for firming up the critical project inputs including the feedstock gas, land and water. Environmental studies are being carried out to meet international standards in this regard. Evaluation of technology and selection of EPC contractor is in progress. With the induction of the experienced TCL team, the engineering, procurement, construction and commissioning risks will be significantly mitigated to ensure effective implementation of the Project on schedule and on budget.

Operation and maintenance risks will also be substantially reduced as TCL’s O&M team will help achieve smooth commissioning of the plant and establishment of the optimal safe operating parameters in terms of efficiency and capacity utilisation. Training of Gabonese personnel will enhance local employment opportunities. The TCL team will help establish standard operating procedures to help extract production efficiencies consistent with plant safety and environmental sustainability.

TCL's knowledge of fertiliser products and its extensive contacts with international fertiliser marketing entities, coupled with the global reach and logistics expertise of Olam will help reduce marketing and off-take risks.

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Note:

This release should be read and understood only in conjunction with the Olam International Limited's presentation slides on the same subject lodged on SGXNET on April 11, 2011.

About Republic of Gabon ('RoG')

Gabon is situated in West Central Africa sharing borders with Equatorial Guinea to the northwest, Cameroon to the north, and with the Republic of Congo to the East and South. It has a land area of 270,000 square kilometres and has an estimated population of around 1.6 million people. Gabon has an equatorial climate with the equator bisecting the country. The country is blessed with a wide range of natural resources including oil, gas, minerals and ores, and forestry resources. Gabon has a long history of political and social stability. It has a free market economy and encourages foreign investment. In the early 1990s, Gabon introduced a multi party system and a new democratic constitution that allowed for a more transparent electoral process and reformed many governmental institutions. Gabon currently has a democratic, multi-party presidential system along with the Bicameral legislature with a Prime Minister. Gabon is also a non-permanent member of the United Nations Security Council for the 2010-2011 term and currently holds the Presidency of the Security Council. Effective economic management under the leadership of His Excellency, Ali Bongo Ondimba have helped to make Gabon one of the most prosperous countries in the region, with the highest Human Capital Development Index (HDI) in Sub-Saharan Africa. The country has one of the highest GDP per capita in Sub-Saharan Africa with GDP in 2009 estimated at US\$11 billion. It has a current account surplus as well as a fiscal surplus. In October 2009, the newly elected President began efforts to streamline the Government by eliminating 17 ministerial positions and re-organising the portfolios of numerous ministries to reduce corruption and government inefficiency. In November 2009, President Ali Bongo Ondimba announced a new vision for the modernisation of Gabon called "Gabon Emergent". This program contains three pillars: Green Gabon, Service Gabon and Industrial Gabon. The goals of Gabon Emergent are to diversify the economy so as to become less reliant on petroleum and to broad base the economy.

About Tata Chemicals

A part of the US\$99 billion Tata Group, Tata Chemicals Limited (TCL) is a global company with interests in businesses that focus on LIFE - Living, Industrial and Farming Essentials. The story of the company is about harnessing the fruits of science for goals that go beyond business.

Through its Living Essentials portfolio the company has positively impacted the lives of millions of Indians. Tata Chemicals is the pioneer and market leader in India's branded iodized salt segment. With the introduction of an innovative, low-cost, nanotechnology based water purifier; it is providing affordable, safe drinking water to the masses. The company's Industry Essentials product range provides key ingredients to some of the world's largest manufacturers of glass, detergents and other industrial products. TCL is currently the world's second largest producer of soda ash and has manufacturing facilities across Asia, Europe, Africa, and North America. With its Farming Essentials portfolio the company has carved a niche in India as a crop nutrients provider. It is a leading manufacturer of urea and phosphatic fertilisers and, through its subsidiary Rallis, has a strong position in the crop protection business.

*The Tata Chemicals Innovation Centre is home to world class R&D capabilities in the emerging areas of nanotechnology and biotechnology. The company's Centre for Agri-Solutions and Technology provides advice on farming solutions and crop nutrition practices. In line with its **mission, 'serving society through science'**, the company is applying its expertise in sciences, to develop high-tech and sustainable products. For more information, visit www.tatachemicals.com*

About Olam International Limited

Olam International is a leading global integrated supply chain manager and processor of agricultural products and food ingredients, sourcing 20 products with a direct presence in 65 countries and supplying them to over 11,100 customers. With direct sourcing and processing in most major producing countries for its various products, Olam has built a global leadership position in many of its businesses, including cocoa, coffee, cashew, sesame, rice, cotton and wood products. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 40 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the Straits Times Index (STI), MSCI Singapore Free, S&P Agribusiness Index and the DAXglobal Agribusiness Index. Olam is the only Singapore firm to be named in the 2009 and 2010 Forbes Asia Fabulous 50, an annual list of 50 big-cap and most profitable firms in the region. It is also the first and only Singapore company to be named in the 2009 lists for the Global Top Companies for Leaders and the Top Companies for Leaders in the Asia Pacific region by Hewitt Associates, the RBL Group and Fortune. More information on Olam can be found at www.olamonline.com.

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