**YAMADA GREEN RESOURCES LIMITED**
**(Company Registration No. 201002962E)**
**(Incorporated in the Republic of Singapore)**

## UPDATE ON THE USE OF NET PROCEEDS FROM PLACEMENT OF SHARES

The Board of Directors (the "**Board**") of Yamada Green Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to provide an update on the utilization of the net proceeds raised from the placement of 14,598,013 new ordinary shares in the capital of the Company (as announced previously on 8 July 2016) ("**Placement**"), as follows:

| | **S$** |
|---|---|
| Net proceeds from the Placement | 4,229,130 |
| Less: | |
| - Partial payment for the maintenance work carried out on the 129,696 mu[(2)] moso bamboo plantation. | 891,000[(1)] |
| - Payment for advertising to publicise and promote sales of new konjac-based dietary fibre food products. | 102,300[(1)] |
| - Partial payment for the production of synthetic logs to be utilised for cultivation of shiitake mushrooms for the financial year 2017. | 1,023,000[(1)] |
| Balance of net proceeds | 2,212,830 |

*Note:*

*(1) Based on the exchange rate of S$1:RMB4.887.*

*(2) 1 mu is equivalent to approximately 667 square meters*

The above utilisation is in accordance with the intended use of net proceeds as disclosed in the announcement of Placement.

The Company will make further announcements on the use of the balance of the net proceeds as and when they are materially disbursed.

By order of the Board

Chen Qiuhai
Executive Chairman and Chief Executive Officer
5 October 2016