The Rice Food Experts

19 January 2012

NSX ANNOUNCEMENT

TRUKAI INDUSTRIES LTD

A Papua New Guinea newspaper has reported on a proposed agreement between the PNG Minister for Agriculture and Livestock and an Indonesian backed company Naima Agro-Industry Ltd (Naima).

The press report indicates that the proposed agreement would establish Naima as the only company permitted to import and distribute rice in PNG without a tariff, with other companies being subject to large tariffs. However, the report also questions the extent of government support for the proposal and states that the Prime Minister has announced that he will not allow it to establish a monopoly and that he has sent the proposal back to the appropriate authorities for re-examination.

SunRice is investigating and assessing the likelihood of the proposal being implemented given the potential adverse effect it would have on the business of its subsidiary Trukai Industries Ltd, which processes and sells rice in PNG. Trukai is also making representations at governmental level with a view to ensuring that its PNG operations are protected.

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