



6 June 2014

ASX ANNOUNCEMENT

PURCHASE OF INVESTMENT PROPERTIES

On 21 February 2014 Sterling Plantations Limited (ASX: SBI) announced the completion of the sale of its wholly-owned Malaysian subsidiary, SPC Biodiesel Sdn Bhd, which owns a 100,000 tonne biodiesel plant. The proceeds of sale will be used to meet its future cash requirements including for the Group's oil palm plantation development.

Pending such utilization, Sterling intends to invest those proceeds with appropriate consideration being given to the risk-return profile of the investment; its liquidity having regard to the timing of the Group's cash requirements; investments that allow for deferred or staggered payment (ie low initial outlay) so as to optimize returns on capital; and investments recommended by private equity fund managers. Sterling will explore investment opportunities in the oil palm sector (including crude palm oil futures), investment properties, equities and other short to medium term investment opportunities.

In this respect, Sterling wishes to announce that the Group has today entered into a contract to purchase investment properties in Kensington High Street, London for a total purchase price of £10.24 million (approximately A\$18.48 million). The properties form part of a development comprising 27 restored apartments expected to be completed in the 1st quarter of 2016. 10% of the purchase price was paid on signing, another 10% will be payable over the next 12 months and the balance 80% upon completion. It is intended that some (if not all) of the properties be sold before completion.

For further information, please contact:

Andrew Phang

Group Executive Director

Email: andrew@sterlingplantations.com