



Wednesday, 17 February 2010

APPOINTMENT OF RECEIVERS FOR VOLCOT'S STAKE IN TANDOU

A substantial shareholder notice was lodged yesterday in relation to the shares in Tandou Limited held by Volcot Holdings AG ("Volcot"). Volcot currently holds 30.59% of the shares in Tandou. Tandou understands that the notice was lodged following the appointment of Receivers covering various assets of Volcot, including its shareholding in Tandou, under Volcot's loan security arrangements.

Tandou expects that the objective of the Receivers will be to realise the maximum value for these shares and that the Receivers will assess GPG's Takeover Offer against potential offers from other parties who may be interested in acquiring some or all of Volcot's shares in Tandou.

THE BOARD OF TANDOU UNANIMOUSLY REJECTS GPG'S TAKEOVER OFFER.

The Board of Tandou continues to recommend that shareholders TAKE NO ACTION until they have received the Target's Statement which will set out the Tandou Board's formal response to the offer. The Board undertakes to keep shareholders informed in relation to GPG's Takeover Offer.

Tandou has appointed Momentum Corporate and Minter Ellison as financial and legal advisers respectively.

Yours sincerely

A handwritten signature in black ink, appearing to read "Guy Kingwill".

Guy Kingwill
CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR
PH. 03 5018 6500

TANDOU LIMITED
ABN 81 001 014 562

About Tandou Limited:

Tandou is a modern Australian agribusiness that owns and operates large scale irrigated cropping, horticultural and pastoral operations. Established in 1972 Tandou's land holdings cover nearly 85,000 hectares near Menindee NSW, 250 km north of its Mildura corporate office. Over time Tandou has invested in water entitlements and currently owns over 36 gigalitres strategically held across various river systems in the Murray Darling Basin. In addition to trading water entitlements and allocations Tandou combines traditional knowledge with the latest technological advancements throughout its enterprises to minimise risk and produce high value returns. It is a major producer of irrigated cotton and durum wheat, along with stone fruit, wine grapes, citrus and organic lamb. Tandou also provides management and development services.