

Press release
September 5, 2007

Black Earth Farming Ltd completes private placement - acquires 25,000 hectares of land

Russian land and agriculture investor Black Earth Farming Ltd, hereby announces that it has entered into an strategically important contract for acquisition of land and farming facilities from a group of local landowners. This will give Black Earth Farming control of an additional 25,000 hectares of land in the central Black Earth region.

The transaction is to be financed with funds from a recent private placement in which Black Earth Farming issued 9.3 million new depository receipts at SEK 30 per share, amounting to SEK 279 million (or about USD 40 million), directed to Swedish and international institutional investors. The private placement was successfully closed at the end of August.

Through the acquisition, which is expected to be finalized in February 2008, Black Earth Farming will gain direct holding of 21,000 hectares, 2,500 hectares will be leased over 35 years and 1,100 hectares will be leased over 25 years. The acquired land is presently cultivated and is considered to be in good condition. The acquisition also includes administrative buildings, workshops, barns, tractors, agricultural implements, trucks, planters and a 60000 ton capacity elevator.

Black Earth Farming currently controls 257,000 hectares of land (excluding the above described acquisition) of which 19,600 hectares under fully registered ownership and 4,200 hectares under fully registered lease.

Commenting on the announcement, Michel Orloff, Acting Chairman of Black Earth Farming said:

"I am delighted to announce that, assuming the transaction is finalized, Black Earth Farming will have already achieved its objective of controlling 275,000 hectares of land before the end of 2007. Black Earth Farming is a pioneer investor in Russian agricultural land assets and has gained a very strong market position in several Russian regions. The company controls an impressive land bank of first class soil and has successfully harvested more than 50,000 hectares in 2007, up from 5,900 hectares in 2006.

For additional information, please contact:

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Black Earth Farming was founded in 2005. The company is focused on acquiring and owning farm land in Russia and the former CIS countries as well as establishing a leading agricultural operation on the acquired land. The company has been developed by the listed investment companies Vostok Nafta Investment Ltd and Investment AB Kinnevik, which together still are the principal shareholders in the company. Black Earth Farming has successfully raised more than USD 200 million in the equity and debt markets to finance its land acquisitions. It has also attracted internationally leading farm managers to manage a world class agricultural operation.

