RSPO NOTIFICATION OF PROPOSED NEW PLANTING

This notification shall be on the RSPO website for 30 days as required by the RSPO procedures for new plantings (http://www.rspo.org/?q=page/535 ***). It has also been posted on local on-site notice boards.***

Date of notification: 26 August 2013

Tick whichever is appropriate

	This is a completely new development and stakeholders may submit comments.
✓	This is part of an ongoing planting and is meant for notification only.

COMPANY : **GOLDEN AGRI RESOURCES Ltd.**
SUBSIDIARY (If any) : **PT BUANA ARTHA SEJAHTERA**
RSPO Membership Number : **1-0096-11-000-00**
Dated 31 March 2011

LOCATION OF PROPOSED NEW PLANTING

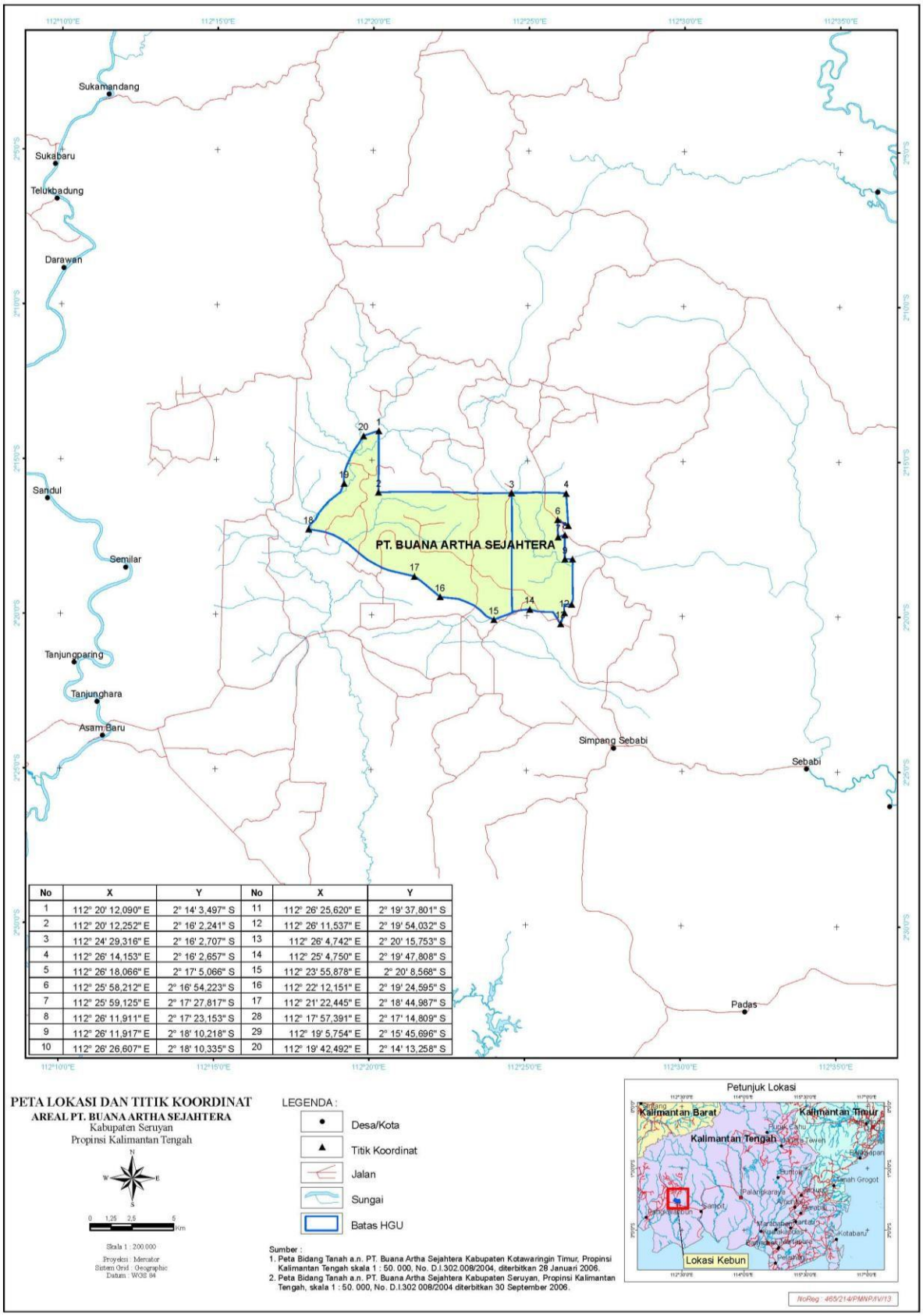
- Name of Company : PT Buana Artha Sejahtera
- Location : Rungau Raya Village, Danau Seluluk Sub-District, Seruyan Regency, and Biru Maju Village, Telawang Kotawaringin Timur Regency, Central Kalimantan.
- Geographical location : 112º15'00" – 112 º30'00"E - 02º20'00" – 02º12'00" S
- Surrounding area
  a. North : PT Tapian Nadenggan estate
  b. East : PT Agro Indomas estate
  c. West : Community estate
  d. South : Community estate
- New Planting Area (planted) : **37.94 ha**
- New Planting area (remainder of area) : **1,512.70 ha**
- Permits :
  a. Location Permit: Decree of South Kalimantan Governor No. 176.460.42 of 2004 dated 8 April 2004, valid for three years until 7 April 2007, covering an area of ± 14,300 ha.
  b. Plantation Business Permit (IUP): Decree of Central Kalimantan Governor No. 407 of 2004 dated 8 April 2004 for an oil palm estate covering ± 14,300 ha and a mill with capacity of 80 tons of FFB/hour.
  c. Response from the Forestry Ministry of the Republic of Indonesia No. S.514/Menhut-VII/KUH/2013 dated 14 May 2013 confirms that in accordance with Government Regulation No.

60 of 2012, the order can be processed through forest replacement (Tukar Menukar Kawasan Hutan) in compliance with Local Regulation No. 8 of 2003 and production forest (Hutan Produksi Tetap) in accordance with the Forestry Minister's Decree No. 529/Menhut-II/2012 for ± 8,113 ha. Meanwhile, as much as ± 807 ha is classified for other land use (Area Penggunaan Lain) and does not require a release from the Forestry Ministry.

d. Land Use Permit (HGU) : In process with the relevant authorities.

- Map of Location : Figure 1, Figure 2 and Figure 3

Figure 1. Location Map of PT Buana Artha Sejahtera in Seruyan Regency and Proposed Area of HGU



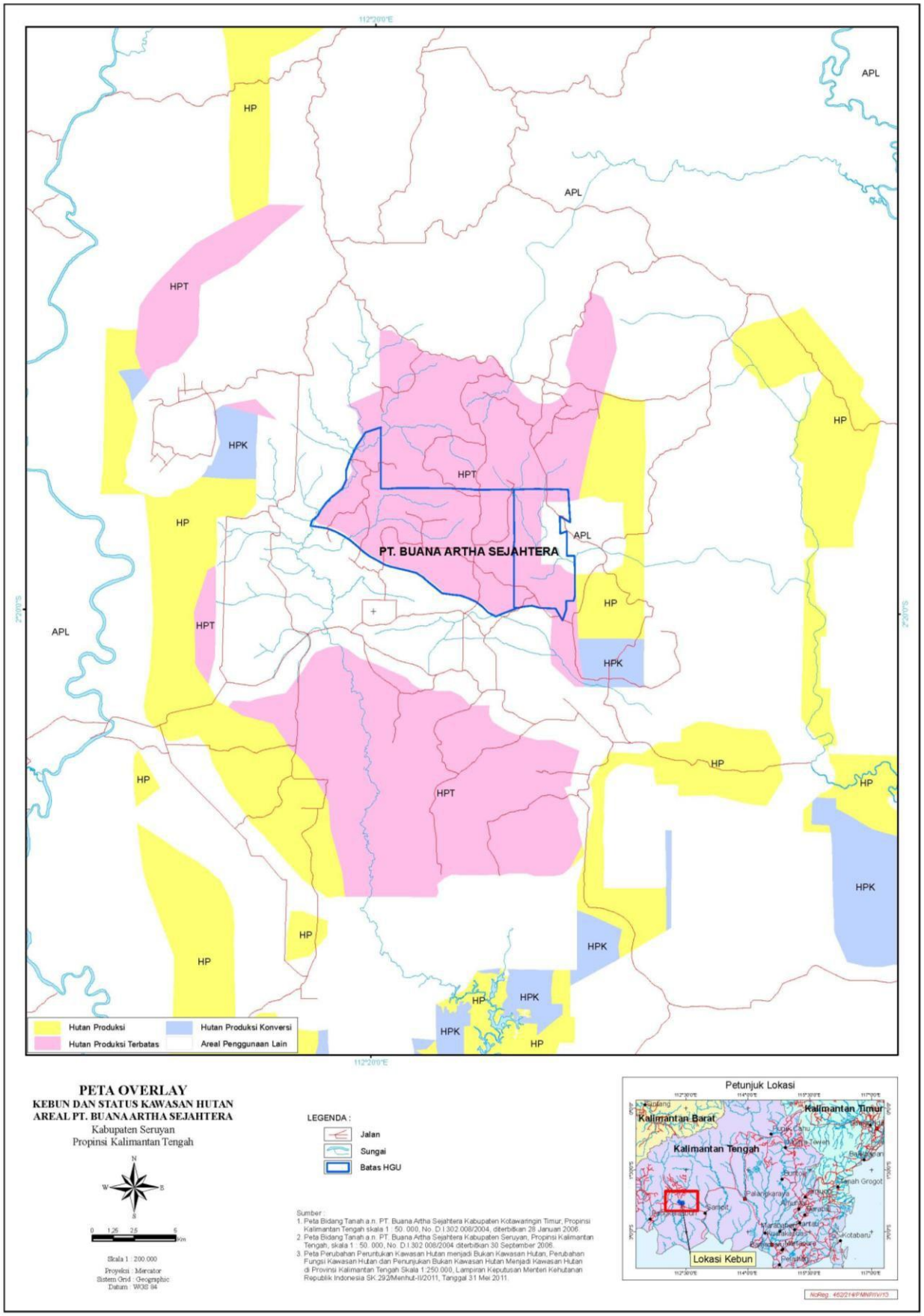
No	X	Y	No	X	Y
1	112° 20' 12,090" E	2° 14' 3,497" S	11	112° 26' 25,620" E	2° 19' 37,801" S
2	112° 20' 12,252" E	2° 16' 2,241" S	12	112° 26' 11,537" E	2° 19' 54,032" S
3	112° 24' 29,316" E	2° 16' 2,707" S	13	112° 26' 4,742" E	2° 20' 15,753" S
4	112° 26' 14,153" E	2° 16' 2,657" S	14	112° 25' 4,750" E	2° 19' 47,808" S
5	112° 26' 18,066" E	2° 17' 5,066" S	15	112° 23' 55,878" E	2° 20' 8,568" S
6	112° 25' 58,212" E	2° 16' 54,223" S	16	112° 22' 12,151" E	2° 19' 24,595" S
7	112° 25' 59,125" E	2° 17' 27,817" S	17	112° 21' 22,445" E	2° 18' 44,987" S
8	112° 26' 11,911" E	2° 17' 23,153" S	28	112° 17' 57,391" E	2° 17' 14,809" S
9	112° 26' 11,917" E	2° 18' 10,218" S	29	112° 19' 5,754" E	2° 15' 45,696" S
10	112° 26' 26,607" E	2° 18' 10,335" S	20	112° 19' 42,492" E	2° 14' 13,258" S

Skala 1 : 200.000
Proyeksi : Mercator
Sistem Grid : Geographic
Datum : WGS 84

Sumber :
1. Peta Bidang Tanah a.n. PT. Buana Artha Sejahtera Kabupaten Kotawaringin Timur, Propinsi Kalimantan Tengah skala 1 : 50. 000, No. D.I.302.008/2004, diterbitkan 28 Januari 2006.
2. Peta Bidang Tanah a.n. PT. Buana Artha Sejahtera Kabupaten Seruyan, Propinsi Kalimantan Tengah, skala 1 : 50. 000, No. D.I.302 008/2004 diterbitkan 30 September 2006.

NoReg : 465/214/PMNP/IV/13

Figure 2. Map Overlay of Estate of PT Buana Artha Sejahtera and Forest Status in Seruyan Regency



SUMMARY OF SEI ASSESSMENT

The Environmental Impact Assessment (EIA) of PT Buana Artha Sejahtera was conducted in 2005 and approved by the Decree of Central Kalimantan Governor No. 06.a of 2006 dated 23 January 2006. The EIA document was composed by CV. Barito Prima Consultant located at Jl. Suprapto No.7 Palangka Raya, Tel. (0536) 322823. The study team comprised:

- Head of Team: Ir. Akhmad Murjani, MS (Water Quality Specialist, EIA A and EIA B)
- Physical and Chemical Team: Gusti Irya I, SP, MP (Spatial and Land Specialist), Ir. Sabarudin, MS (Climatologist, Air Quality Specialist, EIA A, and EIA C).
- Biological Team : Ir. Rahmawati BM, MP (Biologist), Dr. Ir Zulkifli (Agronomist)
- Socio-Economic Cultural and Public Health Team: Ir. H. Abdul Mukti, MP (Sociology Specialist).

A Social Impact Assessment (SIA) of PT Buana Artha Sejahtera was also conducted by an internal team from PT SMART in November 2012. The team was led by Yosaphat Ardhilla Renato, S.Ant. (RSPO-approved HCV assessor as of 1 February 2013), SIA expert and Social and Cultural Anthropologist. The Company also has a social impact management and monitoring plan.

Methods used in data collection and analysis for the EIA were:

a. Secondary data collection by reviewing literature
b. Data collection by observation and field orientation
c. Data collection by observation
d. Data collection by laboratory analysis
e. Data collection and information through public hearing and focus group discussion

Methods used in data collection and analysis for the SIA were:

a. Analysis of documents/literature
b. Structured interviews
c. In-depth interviews
d. Focus group discussion
e. Public consultation
f. Survey
g. Random sampling (10-15 respondents/village)
h. Method of data analysis: descriptive analysis, social interpretation (Verstehen)

The results of the EIA of PT Buana Artha Sejahtera are listed below:

NO.	IMPACT	MANAGEMENT	MONITORING
1	Increasing temperature and/or humidity	- Gradual land clearing - Designation of conservation area	- Measurement of temperature and humidity
2	Increasing emissions and	- Road maintenance	- Measurement of (PM10) and

NO.	IMPACT	MANAGEMENT	MONITORING
	dust	- Restriction on vehicle speed - Road watering - Proper use of heavy equipment - Designation of conservation area	$SO_2$and NO_2
3	Increasing noise	- Maintenance of equipment - Restriction on vehicle speed - Installing a silencer - Designation of conservation area Use of earplugs for safety	- Noise measurement
4	Change in physical-chemical characteristics of soil	- Land clearing - Consider season - Planting of legume cover crops - Designation of conservation area - Development of early warning system - Attention to fertilisation	- Analysis of physical-chemical characteristics of soil
5	Increasing land fires	- Zero burning in land clearing - Construct fire breaks and ponds - Install signboards, restriction Boards/appeals	- Measurement of fire danger level
6	Decreasing ground water quality	- Build wastewater treatment plant - To make Land Application	- Measurement of river water quality (BOD, COD)
7	Decreasing river water quality	- To implement terracing Riparian maintenance	- Measurement of river water quality (TSS, TDS, BOD, COD)
8	Decreasing river water supply	- Riparian maintenance - Control of water usage	
9	Decreasing types and population of flora and fauna	- Designation of conservation area Reforestation	- Measurement of diversity and population
10	Water biota disturbance	- Efficiency of fertiliser usage	Measurement of diversity and population
11	Change of attitude and community perception	- Socialisation and Community Development Programme	- The number of people who agree to the programme
12	Community unrest	- Socialisation and social approach	- The number of people who participate in unrest
13	Social jealousy	- Efforts to make worker recruitment easier	- The number of people experiencing social jealousy
14	Decreasing quality of public	- Provision of health services	- Measurement of public health level

The results of the SIA of PT Buana Artha Sejahtera are listed below:

A. Positive Impact
1. Decreasing unemployment rate
2. Increasing employee welfare
3. The potential for public economic development
4. The potential for economic development in the village
5. Increasing community activity and mobility
6. Increasing praying activity
7. Increasing community awareness regarding education
8. Increasing social benefit

B. Negative Impact

NO	IMPACT	MANAGEMENT	MONITORING
1	River water pollution caused by fertiliser runoff	1. To provide map of empty fruit bunch fertilisation in riparian area 2. To use empty fruit bunches as fertiliser in riparian area 3. Not to spray riparian area 4. To plant perennial trees	River water quality testing

SUMMARY OF HCV ASSESSMENT

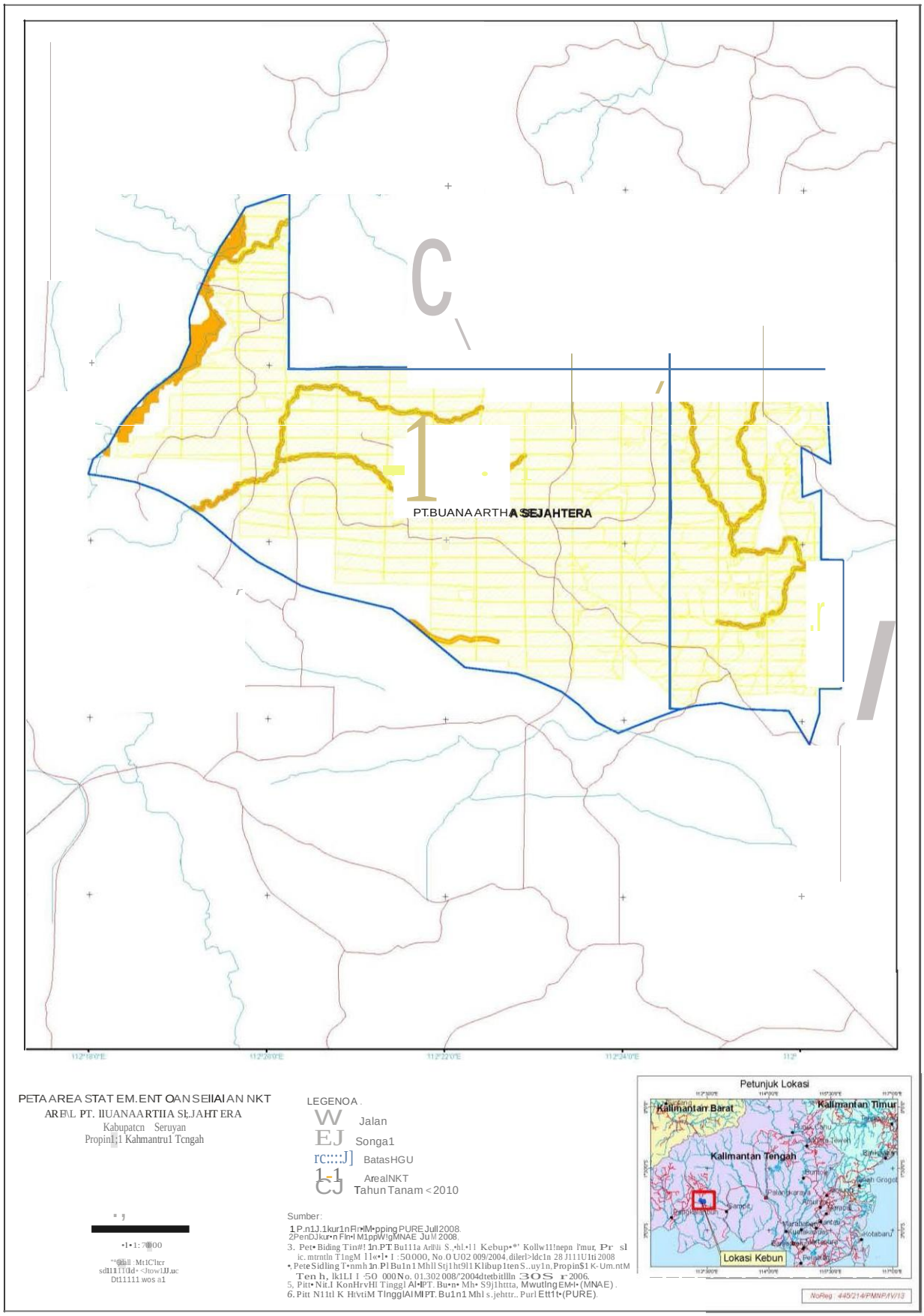
PT Buana Artha Sejahtera has identified High Conservation Value areas. The study was conducted by the Environmental Department of PT SMART Tbk on 13-17 July 2011. The team consisted of:

1. Norman Mustakim – Team coordinator (RSPO Approved HCV Assessors).
2. Ridho Farianto (RSPO-approved HCV Assessor, Flora and Environmental Service Specialist)
3. Dede M Nasir (RSPO-approved HCV Assessor, Fauna and Mapping/GPS Specialist)
4. Febia Arisnagara (RSPO -approved HCV Assessor, Fauna and Environmental Service Specialist)
5. Firmansyah (HCV Assessor, Ecological Biologist)
6. Yosaphat A. Renato (HCV Assessor, Socio-Economic and Public Cultural Specialist)

There are six High Conservation Value areas identified in PT Buana Artha Sejahtera at Mandang Estate and Puri Estate namely HCV 1 (HCV 1.1, 1.2, 1.3 and 1.4), HCV 2 (HCV 2.3) and HCV 4 (HCV 4.1). The High Conservation Value areas in PT. Buana Artha Sejahtera cover 497.23 ha (several HCV areas overlap). The summary of HCV identification is as follows:

High Conservation Value		Finding		Coverage Area (ha)	
		Yes	No	Mandang Estate	Puri Estate
1.1	Area that has or provides diversity supporting function for protected area or conservation	√		347.89	149.71
1.2	Critically endangered species	√			
1.3	Area for the habitat of endangered species with limited or protected distribution of viable population.	√		347.8	149.71
1.4	Temporary area for the habitat of species or a group of Species	√		158.52	
2.1	Vast natural landscape that has capacity to maintain the process and dynamic of natural ecology		√		
2.2	Natural area with two or more ecosystems with uninterrupted boundary line		√		
2.3	Area that contains representatives of natural species (viable population)	√		158.52	149.71
3	Area that contains rare ecosystem or critically endangered Species		√	347.89	
4.1	Area of important ecosystem for water source and flood control for downstream community	√			149.71
4.2	Important area for erosion and sedimentation control		√		
4.3	Area that can function as a natural border to prevent forest and land fires		√		
5	Important area to fulfill the basic needs of local community		√		
6	Important area for local culture		√		
Total HCV Area per Estate				**347.89**	**149.71**
Total HCV Area of PT Buana Artha Sejahtera				**497.6**	

Figure 3. Identification of HCV Areas at PT Buana Artha Sejahtera



DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT

The RSPO requires the free, prior and informed consent (FPIC) of the local community that influences the development of a concession area or area that has been opened or will be opened.

There was adequate evidence that PT Buana Artha Sejahtera had applied the FPIC principle. There is documentation of the land compensation process, etc. The documentation contains: name of recipients, compensation area (ha), date of realisation. The total number of recipients was 102, and the land coverage was 500,652 ha. The breakdown was 82 recipients at Puri Estate (313,973 ha) and 20 recipients at Mandang Estate (186,679 ha).

SUMMARY OF PLAN

The HCV Management Plan of PT Buana Artha Sejahtera covers the watershed, such as:
1. Mandang Estate: watershed of Rungau River, Ruko River and Sei Rindu River.
2. Puri Estate: watershed of Biru River.
3. Management ot key wildlife, such as orangutan, around Rungau River.

PT Buana Artha Sejahtera has an HCV management master plan for Mandang Estate and Puri Estate for the period of 2012 - 2015 and a social impact management plan dated November 2012

There is also an environmental management and monitoring plan for the 14,300 ha estate and the palm oil mill with capacity of 80 tons of FFB/hour.

These three documents guide PT Buana Artha Sejahterain in managing the environmental and social impact based on RSPO Principles & Criteria for New Plantings.

VERIFICATION STATEMENT

PT Buana Artha Sejahtera chose to audit its documents. Two auditors from Mutuagung Lestari studied and audited the relevant documents. The audit was conducted at the head office of Sinarmas in Jakarta on 10 April 2013. During the audit, interviews were conducted with representatives of PT Buana Artha Sejahtera management, namely the Head of the Sustainability Conservation and Biodiversity Division, certification officer, law officer, and monitoring officer.

Based on the review of all the relevant documents such as legal documents, HCV identification, SIA and EIA documents, the audit concluded that:

1. There was no palm estate land clearing in 2010 in HCV, primary forest or peat protection areas. The Company has identified HCV and taken into consideration the Social Impact Assessment in it Plans for land clearing
2. The Company has adhered to FPIC in its land acquisition for the palm estate.
3. The Company has met legal requirements for its new estate opening, including the Location Permit and Plantation Business Permit (IUP). The Land Use Permit (HGU) is being processed.

A Social Environmental Impact Assessment of PT Buana Artha Sejahtera was conducted by CV. Barito Prima Consultant of Palangkaraya in 2005. It was approved by the Decree of Central Kalimantan Governor No.06.a of 2006 on 23 January 2006. A Social Impact Assessment was conducted by an internal team from PT SMART comprising an RSPO-approved assessor and other specialists. An HCV assessment was conducted by a team from the Environmental Department of PT SMART. The team was led by Norman Musrakim and consisted entirely of RSPO-approved HCV Assessors.

PT Buana Artha Sejahtera has implemented the RSPO New Planting Procedure. Documentation of assessment and planning has been done completely and professionally in accordance with RSPO requirements and fulfils the RSPO Principles and Criteria for New Planting. This is part of an ongoing planting and this report is meant for notification only.

Signed on behalf of

MUTUAGUNG LESTARI

Oktovianus Rusmin
Lead Auditor
20 June 2013

PT BUANA ARTHA SEJAHTERA

Dr Haskarlianus Pasang
Division Head of Sustainability
20 June 2013