

Press release
St Helier, Jersey
June 24, 2010

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BLACK EARTH FARMING LTD ISSUES SEK 750 MILLION BOND LOAN, COMPLETES EXCHANGE OFFER AND ANNOUNCES EARLY REDEMPTION OF ITS EXISTING BOND LOAN

Black Earth Farming Ltd. (“Black Earth Farming” or “the Company”) has resolved to issue a SEK 750 million senior unsecured bond (the “Bonds”). The Bonds have a fixed annual coupon of 10.00 percent and mature after 4 years. The Bonds have been subscribed for through the exchange offer previously announced by the Company and, in addition thereto, a private placement to primarily institutional investors. Black Earth Farming will apply for a listing of the Bonds on NASDAQ OMX Stockholm in due time to have the Bonds listed no later than 31 December 2010.

The issue proceeds will be used to redeem the Company’s outstanding bond loan, maintain financial flexibility to act on acquisition opportunities and to execute the adopted investment program. E. Öhman J:or Fondkommission AB has acted as financial adviser to the Company in conjunction with the issue of Bonds.

On 7 June 2010, Black Earth Farming announced an exchange offer to the holders of the Company’s EUR 55,000,000 13% Bonds 2007/2011 with security, Loan no.1, ISIN SE0001967316 (the “Existing Bonds”) to exchange their Existing Bonds for the Bonds. Existing Bond holders have accepted the offer to exchange their Existing Bonds in a nominal amount of EUR 27,150,000. Black Earth Farming will act to terminate all Existing Bonds tendered in the exchange offer as well as those previously owned by the Company, amounting to a nominal amount of EUR 40,330,000 in total.

Black Earth Farming hereby notifies all holders of the Existing Bonds that have not validly accepted the Exchange Offer that the Company has resolved to redeem all of the outstanding Existing Bonds early in accordance with paragraph 5 of the terms and conditions of the Existing Bonds.

The early redemption will occur on 26 July 2010 and the record date in respect of the early redemption will be 19 July 2010. Pursuant to the terms and conditions for the Existing Bonds the amount payable on the early redemption date will be EUR 10,100 for each Existing Bond with a nominal amount of EUR 10,000. In addition, the Company will pay accrued interest for the period from, but excluding, 15 March 2010 up to and including 26 July 2010.

The Existing Bonds will be delisted from the Corporate Bond List of NASDAQ OMX Stockholm and the last day of trading will be 14 July 2010.

Important Information

This press release does not constitute an offer to buy or a solicitation of an offer to sell bonds in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws or otherwise. The distribution of this document in certain jurisdictions (in particular, the United States, Italy, the United Kingdom, Finland, Sweden, Denmark, France, Belgium, and Switzerland) may be restricted by law. Persons into whose possession this

document comes are required to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer has been or will be taken in any jurisdiction (other than Jersey).

The bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). As a result, existing bond holders within the United States or who are U.S. persons will be eligible to participate in the bond exchange offer only if they are "qualified institutional buyers" ("QIBs") as defined in Rule 144A under the Securities Act ("Rule 144A"). Offers and issuances of the new bonds to non U.S. persons outside the United States will be made in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"). The New Bonds will not be eligible for resale pursuant to Rule 144A.

The exchange offer and the new bonds have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the exchange offer or the accuracy or adequacy of the exchange offer document. Any representation to the contrary is a criminal offence in the United States.

For additional information, please contact:

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Notes to Editor:

Black Earth Farming Ltd. is a leading farming company, publicly listed in Stockholm and operating in Russia. It acquires, develops and farms agricultural land assets primarily in the fertile Black Earth region in southwest Russia. Black Earth Farming has gained a strong market position in the Kursk, Tambov, Lipetsk, Samara, Voronezh and Ryazan areas, controlling some 330,000 hectares of what perhaps is the world's most fertile soil.

In 2008 Black Earth Farming harvested 141,900 hectares and in 2009 it has harvested over 183,000 hectares, effectively making it one of the world's largest farming companies by planted area. The Company's main products are wheat, barley, corn, sunflowers and rape seeds.

Corporate website: www.blackearthfarming.com