

**11 October, 2010**

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**VILLA ORGANIC AS - RIGHTS ISSUE COMPLETED**

Reference is made to ruling by Extraordinary General Meeting in Villa Organic AS ("the Company") on 07 June, 2010 to give the Company's Board of Directors proxy to increase the Company's share capital through a rights issue towards the employees in the group by issuing up to 4 500 000 new ordinary shares at a price of NOK 1.50 per share.

The rights issue closed on 03. September 2010 and was fully subscribed.

The increase in the Company's share capital in connection with the issue of 4,500,000 new shares was registered by the Norwegian Register of Business Enterprises on 08 October, 2010, and the share capital of the Company has increased to NOK 118,330,020, with a total of 118,330,020 shares each with a par value of NOK 1.00

The following primary insiders have purchased shares in the issue:

Name	Position	Volume	Holding
Dharma Rajeswaran	MD Villa Arctic	410 521	483 353
Jan Fossberg	CEO Villa Organic	410 522	410 522
Christopher A Copping	MD Villa Sales AS	10 000	10 000
Ole Bjørn Rød	MD Villa Miljølaks	400 000	400 000
Per Gunnar Kvenseth	Bio Security team manger	410 521	569 552
Vidar Skaar	CFO	410 521	410 521
Lennart Lillestøl	MD Villa Smolt	410 521	526 774
Terje Meyer	Manager Villa Arctic	50 000	50 000

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or

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