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General Announcement

Submitted by **ASIATIC DEVELOPMENT** on **24-04-2007 06:35:59 PM**

Reference No **AD-070424-61FD2**

(Submitted)

Proposed Joint Venture for oil palm cultivation of approximately 98,300 hectares in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia

Contents:-

Reference is made to our announcements dated 8 June 2005 and 22 May 2006 in respect of the proposed joint venture for the oil palm cultivation of approximately 98,300 hectares in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia.

The Board of Directors wishes to announce that several of Asiatic's subsidiaries had on 24 April 2007 entered into following five (5) Extension Agreements respectively: -

- (i) Extension Agreement between Asiatic Equities (S'pore) Pte Ltd ("AEquities") and PT Sungai Pawan Lestari ("PTPawan");
- (ii) Extension Agreement between Sri Nangatayap Pte Ltd ("Nangatayap"), PT Mulia Agro Investama ("PTAgro") and Borneo Palma Mulia Pte Ltd ("BPalma"), a company related to PTAgro;
- (iii) Extension Agreement between Sri Kenyalang Pte Ltd ("Kenyalang") and PT Sandai Harapan ("PTHarapan");
- (iv) Extension Agreement between Ketapang Holdings Pte Ltd ("KHoldings") and PT Sawit Mandira ("PTMandira"); and
- (v) Extension Agreement between Sandai Maju Pte Ltd ("Sandai") and PT Citra Karya Cemerlang ("PTCemerlang");

AEquities, Nangatayap, Kenyalang, KHoldings and Sandai are hereinafter referred singularly as the "Asiatic's Subsidiary" and collectively as the "Asiatic Subsidiaries".

PTPawan, PTAgro, BPalma, PTHarapan, PTMandira and PTCemerlang are hereinafter referred singularly as the "Indonesian Shareholder" and collectively as the "Indonesian Shareholders".

Under Article 5 of the Joint Venture Agreements dated 8 June 2005 and extended by the Extension Agreements dated 22 May 2006, there are certain licences, permit or approvals that must be obtained no later than 8 June 2007, unless agreed otherwise by the respective Asiatic's Subsidiary and Indonesian Shareholder, as detailed in our previous announcement dated 8 June 2005.

The Extension Agreements had been entered into to extend the period of fulfillment of the above obligations up to and including 8 June 2009. All other terms and conditions stated in the Joint Venture Agreements dated 8 June 2005 remain unchanged.

**TAN SRI MOHD AMIN BIN OSMAN
CHAIRMAN
ASIATIC DEVELOPMENT BERHAD**