



ABTERRA LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 199903007C)

EQUITY LINE FACILITY AGREEMENT AND ISSUE OF NEW ORDINARY SHARES IN THE CAPITAL OF ABTERRA LTD.

– APPROVAL-IN-PRINCIPLE FROM SGX-ST

Where capitalised terms are used in this announcement and not otherwise defined, such terms shall bear the same meanings as ascribed to them in the Company's announcements on 17 February 2010 and 23 February 2010 in relation to the Agreement.

Approval-In-Principal for the Listing and Quotation of Shares pursuant to the Agreement

Further to the Company's announcements on 17 February 2010 and 23 February 2010 relating to the Agreement, the Board of Directors wishes to announce that, the SGX-ST has on 5 March 2010 granted approval-in-principle ("**AIP**") for the listing and quotation of up to 429,983,248 Shares ("**Placement Shares**") on the Official List of the SGX-ST pursuant to the Agreement ("**Placement**"), subject to:

- (a) Compliance with the SGX-ST's listing requirements;
- (b) A valid general share issue mandate being available and sufficient for the proposed issue of the Placement Shares;
- (c) The Placement Shares cannot be issued at a discount of more than 10%, including the 3% commission payable to YA Global;
- (d) A confirmation by the Company via SGXNet that: (i) if it is unable to obtain shareholders' approval for the issue of shares at a discount of up to 20% at its upcoming EGM, the shares under the Equity Line Facility programme will not be issued at a discount exceeding 10%, including the 3% commission payable to YA Global, and (ii) it will submit another application for the listing of new shares under the Equity Line Facility programme issued at a discount of up to 20% using the new general share issue mandate when the necessary shareholders' approvals have been obtained;
- (e) A written undertaking from the Company that it will make periodic announcements on the specific use of the proceeds from the proposed placement of shares and that it will provide status reports on the use of the placement proceeds in the annual report. The announcements and status reports should include detailed descriptions of how working capital raised was deployed;
- (f) A written undertaking from the Company that it will not allot and issue any of the placement shares so as to transfer a controlling interest in the Company without the prior approval of the Company's shareholders in a general meeting; and
- (g) A written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual.

Pursuant to SGX-ST's condition in paragraph (d) of the AIP above, the Company hereby confirms that: (i) if it is unable to obtain Shareholders' approval for the issue of shares at a discount of up to 20% at its upcoming EGM, the shares under the Equity Line Facility programme will not be issued at a discount exceeding 10%, including the 3% commission payable to YA Global, and (ii) it will submit another application for the listing of new shares under the Equity Line Facility programme issued at a discount of up to 20% using the new general share issue mandate when the necessary shareholders' approvals have been obtained.

The SGX-ST's in-principle approval is not an indication of the merits of the Placement, the Placement Shares, the Company and/or its subsidiaries.

The Company will make further announcements when Placement Shares are issued pursuant to the Agreement.

By the Order of the Board

Lau Yu
Director and Chief Executive Officer
8 March 2010