



ABTERRA LTD.

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

EXPANSION OF EQUITY LINE FACILITY

LOAN NOTE SUBSCRIPTION AGREEMENT IN RELATION TO THE SERIES A LOAN NOTE OF S\$3,000,000 SUBSCRIBED BY YA GLOBAL MASTER SPV LTD

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, 23 February 2010 and 8 March 2010 in relation to the Agreement (as defined below).

2nd Supplemental Letter (as defined below) to Equity Line Facility Agreement

The Board of Directors of Abterra Ltd. ("**Board**") refers to the announcements of 17 February 2010, 23 February 2010 and 8 March 2010 in connection with the Equity Line Facility Agreement dated 17 February 2010 entered into between the Purchaser and the Company, as amended and supplemented by the First Supplemental Letter dated 17 March 2010 ("**Agreement**").

The Board is pleased to announce that the Company and YA Global Master SPV Ltd. ("**Purchaser**") have executed a second supplemental letter dated 3 May 2010 ("**2nd Supplemental Letter**") to supplement and expand the size of the equity line facility granted under the Agreement. The 2nd Supplemental Letter, *inter alia*, provides for an increase in the maximum investment amount by the Purchaser in the Company under the Agreement from S\$20 million to S\$50 million. In addition, the upper limit for each Advance that may be drawn by the Company from the Purchaser under the Agreement has been increased from S\$250,000 to S\$1 million (or from S\$1 million up to S\$2 million with the prior consent of the Purchaser).

The amendments to be effected by the 2nd Supplemental Letter are conditional upon and shall only be binding upon the Purchaser and the Company upon the Company obtaining the necessary approval from the SGX-ST for the admission, listing and quotation on the Official List of the SGX-ST, any additional Placement Shares to be issued to the Purchaser pursuant to the 2nd Supplemental Letter. The Company will be making such application to the SGX-ST shortly.

All references to the Agreement hereafter shall refer to the Agreement as expanded and supplemented by the 2nd Supplemental Letter ("**Supplemented ELF Agreement**").

Series A Loan Note

The Board also wishes to announce that the Company and Purchaser have entered into a Loan Note Subscription Agreement on 3 May 2010 ("**Loan Note Subscription Agreement**") for the subscription of a loan note by the Purchaser of principal amount S\$3,000,000, constituted by a Deed Poll executed by the Company on 3 May 2010 ("**Series A Loan Note**").

The Series A Loan Note is a loan repayable by the Company to the Purchaser within 30 market days of the first drawdown of the principal amount under the Series A Loan Note, in 3 tranches of S\$1,000,000 each, either by way of cash or from the proceeds of Advances pursuant to the Supplemented ELF Agreement, at the option of the Company. Pursuant to the terms of the Loan Note Subscription Agreement, the Company has the option, with the Purchaser's written consent and after giving the Purchaser 15 days to consider, to renew the Series A Loan Note upon repayment or redemption up to 3 times before the Long Stop Date of 28 December 2011.

The proceeds from the Purchaser's subscription of the Series A Loan Note will be used by the Company for general corporate and working capital purposes.

Save as disclosed above, none of the Directors, controlling shareholders or substantial shareholders of the Company has an interest, direct or indirect, in the above transaction.

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

By the Order of the Board

Lau Yu
Director and Chief Executive Officer
3 May 2010