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MEDIA RELEASE – FOR IMMEDIATE RELEASE

Abterra achieves a revenue of S\$14.8 million and a net profit of S\$2.2 million for 1Q2010

- **Profit attributable to shareholders increases 45% y-o-y to S\$2.2 million**
- **Optimistic in its business operations for the year ahead—clinched several contracts with Glencore, Xstrata & Peabody in 2Q2010**
- **Group to benefit from China’s bullish industry outlook**

Singapore, 13 May 2010 – Abterra Ltd., (“Abterra”, or the “Group”), an emerging supply chain manager of resources and minerals in Asia Pacific, reported a 42% jump in net profit of S\$2.2 million for the three months ended 31 March 2010 (“1Q2010”) largely due to a 33% increase in other operating income.

Financial Highlights

	1Q2010	1Q2009	Change
	S\$'000	S\$'000	
Revenue	14,798	65,851	-78%
Gross Profit	436	2,178	-80%
Gross Profit Margin (%)	2.9%	3.3%	-0.4%
Other Operating Income	4,295	3,225	33%
Profit Attributable to Shareholders	2,206	1,524	45%

Turnover for the year fell 78% y-o-y from S\$65.9 million to S\$14.8 million. The Group’s iron ore trading business contributed a revenue of S\$9.1 million for the quarter ended 31 March 2010, while revenue from the trading of coke and coal amounted to S\$5.7 million. Although revenue has dropped, the Group expects its trading operations to improve significantly for the coming months ahead.

Other operating income increased 33% to S\$4.3 million, largely attributable to a S\$3.4 million trade receivables impairment written back and a fair value gain on financial assets, available for sale of S\$637,000, offset by the exchange gain of S\$3 million in 2009 which did not occur in 2010.

Consequently the Group recorded a net profit attributable to shareholders of S\$2.2 million for 1Q2010.

China's Steel Output Jumps

According to data from Bloomberg, crude steel output in China, the world's biggest producer, rose 27 percent to a record in April 2010, indicating that demand from makers of cars and appliances is continuing to rise. Production jumped to 55.4 million metric tons last month from a year ago, that is 0.7 percent higher than the 55 million tons made in March 2010. Annualized, the April steel production would translate into 665 million tons of output for 2010, or a 17 percent jump from the 568 million tons last year.

Also, rising production by Chinese steelmakers have spurred competition for the purchases of iron ore, a raw material, and driven up contract prices. According to the China Iron & Steel Association Steel (CISA), inventories held by traders in China, the largest consumer of the metal, dropped to 9.77 million tons in mid-April from 10.7 million tons a month ago. At the 6th China's International Iron & Steel Meeting, CISA has also confirmed that the global iron ore market was in short supply for the first time, and the increase in iron ore price was an inevitable trend.

"The credit crunch has eased and we have secured more trade facilities this year. With that in hand, we can increase the tonnage traded of our core products. In fact, we have signed several contracts with big names like Glencore, Xstrata & Peabody worth approximately US\$40 million in Q2. As steel mills in China are forecasted to produce in excess of 600 million tonnes of crude steel in 2010, our core traded products of iron ore, coking coal and metallurgical coke are set to be in high demand."

- Mr Lau Yu, CEO of Abterra

Alongside bullish industry outlook, and with trade facilities in place, the Group is optimistic in achieving its plans to grow and expand its trading capabilities for the coming months ahead, exploiting the growing steel industry in China.

In view of the rosy outlook of the steel industry and greater clarity with regards to its mining acquisitions, the Group is confident and optimistic of its prospects for FY2010, barring any unforeseen circumstances.

---- The End ----

About Abterra Ltd.

Abterra Ltd. is primarily engaged in the businesses of the development of mineral business in countries including Australia, India, and Indonesia, and the international trading of iron ore; the sale of Chinese steel and iron products to India and South East Asian countries; domestic PRC logistics business and the operation and development of industrial real estate; and the business of coal mining, washing and processing of coal into coke among others.

For more information, please refer to the corporate website: www.abterra.com.sg

Issued for and on behalf of Abterra Ltd.

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