



ABTERRA LTD.

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

EXPANSION OF EQUITY LINE FACILITY

– 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, 23 February 2010 and 3 May 2010 in relation to the Supplemented ELF Agreement.

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

Further to the Company's announcements on 3 May 2010 relating to the Supplemented ELF Agreement, the Board of Directors wishes to announce that, the SGX-ST has on 31 May 2010 granted approval-in-principle ("**AIP**") for the listing and quotation of up to 1,021,505,376 Shares ("**Placement Shares**") on the Official List of the SGX-ST pursuant to the Supplemented ELF Agreement ("**Placement**"), subject to:

- (a) Compliance with the SGX-ST's listing requirements;
- (b) A valid general share issue mandate being available and sufficient at the time of issue of the Placement Shares;
- (c) The AIP granted for the listing and quotation of the Placement Shares will expire by the earlier of the Company's next Annual General Meeting or 30 April 2011;
- (d) The Placement Shares cannot be issued at a discount of more than 10%, including the 3% commission payable to the Purchaser;
- (e) A confirmation from Sheung Ho (Singapore) Pte Ltd that none of the 5% fees payable to Sheung Ho (HK) Company Limited will be for the benefit of the placee, ie. the Purchaser;
- (f) 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;
- (g) 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
- (h) 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.

The SGX-ST's in-principle approval is not an indication of the merits of the Supplemented ELF Agreement, 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 Supplemented ELF Agreement.

By the Order of the Board

Lau Yu
Director and Chief Executive Officer
1 June 2010