

Submitting Merchant Bank	:	PUBLIC MERCHANT BANK BERHAD
Company Name	:	BTM RESOURCES BERHAD
Stock Name	:	BTM
Date Announced	:	27/08/2002

Type : Announcement
Subject : BTM RESOURCES BERHAD ("BTM")

- Proposed acquisition of land together with factory buildings erected thereon and plant and machinery from Gimzan Plywood Sdn Bhd ("Proposed Assets Acquisition from Gimzan")
- Proposed acquisition of land and plant and machinery from BTM Timber Industries Sdn Bhd ("Proposed Assets Acquisition from BTM Timber")
- Proposed acquisition of 5-1/2 storey office building from Sung Lee Timber Trading Sdn Bhd ("Proposed Wisma Kam Choon Acquisition")
- Proposed Private Placement
- Proposed Restricted Offer for Sale
- Proposed Employees' Share Option Scheme

Contents :

Reference is made to the announcement made by Public Merchant Bank Berhad ("PMBB"), on behalf of BTM on 20 March 2001, 2 January 2002, 14 January 2002 and 28 January 2002.

On behalf of BTM, PMBB wishes to announce on the following:

(i) The relevant parties to the sale and purchase agreements ("SPAs") in respect of the Proposed Assets Acquisition from Gimzan , the Proposed Assets Acquisition from BTM Timber and the Proposed Wisma Kam Choon Acquisition had on 27 August 2002 agreed to remove the inter-conditionality of the said proposed acquisitions in order to facilitate the implementation of the Proposed Assets Acquisition from BTM Timber and the Proposed Wisma Kam Choon Acquisition. The Proposed Assets Acquisition from Gimzan had been rejected by the Securities Commission.

(ii) The relevant parties to the SPAs in respect of the Proposed Assets Acquisition from Gimzan and the Proposed Assets Acquisition from BTM Timber had on 27 August 2002 agreed not to subject the said respective SPAs to the three (3) separate log supply agreements (which are each conditional upon the said acquisitions), now that BTM is not able to proceed with the Proposed Assets Acquisition from Gimzan.

As such, BTM has decided not to proceed with the Proposed Restricted Offer for Sale but will proceed with the Proposed Assets Acquisition from BTM Timber, Proposed Wisma Kam Choon Acquisition, Proposed Private Placement and Proposed Employees' Share Option Scheme.

This announcement is dated 27 August 2002.

