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| Submitting Merchant Bank | : | OSK SECURITIES BERHAD |
| Company Name | : | BTM RESOURCES BERHAD |
| Stock Name | : | BTM |
| Date Announced | : | 10/08/2004 |

Type : Announcement
Subject : BTM RESOURCES BERHAD ("BTM" OR THE "COMPANY")

PROPOSED TWO-CALL RIGHTS ISSUE WITH FREE DETACHABLE WARRANTS

Contents :

On 17 June 2004, OSK on behalf of the Board of Directors of BTM ("Board"), announced that BTM proposes to undertake the proposed rights issue of up to 27,155,150 new ordinary shares of RM1.00 each ("Rights Shares") in BTM at an issue price of RM1.00 each payable in two-call upon application on the renounceable basis of one (1) Rights Share for every one (1) existing BTM ordinary share of RM1.00 each ("Share(s)") held on a date to be determined later together with up to 27,155,150 new free detachable warrants of RM1.00 each ("Warrants") on the basis of one (1) Warrant for every one (1) Rights Share subscribed ("Original Proposed Two-Call Rights Issue With Free Detachable Warrants").

Subsequently on 9 August 2004, the Board had made a revision to the number of Rights Shares of the Original Proposed Two-Call Rights Issue With Free Detachable Warrants as follows:-

"Proposed rights issue of up to 29,485,650 Rights Shares in BTM at an issue price of RM1.00 each payable in two-call upon application on the renounceable basis of one (1) Rights Share for every one (1) existing BTM Share held on a date to be determined later together with up to 29,485,650 Warrants on the basis of one (1) Warrant for every one (1) Rights Share subscribed ("Proposed Two-Call Rights Issue With Free Detachable Warrants")"

The revision on the number of Rights Shares was pursuant to the implementation of the Company's Employee Share Option Scheme ("ESOS") which was offered to the eligible employees of BTM on 1 June 2004 and correspondingly, a total of 2,330,500 options to subscribe for 2,330,500 BTM Shares at an option price of RM1.00 per Share was duly accepted by the eligible employees of BTM on the closing date of 30 June 2004.

Thus, the revision was made by the Board after taking into consideration the additional number of Rights Shares to be issued in the event that the options under the ESOS was fully exercised.

Save for the abovementioned revision, all the other details, terms and conditions of the Original Proposed Two-Call Rights Issue With Free Detachable Warrants, which was announced on 17 June 2004, remains unchanged.

This announcement is dated 10 August 2004

