

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): NON RELATED PARTY TRANSACTIONS BTM Resources Berhad ("BTM" or "the Company") - Variation of utilisation of proceeds pursuant to Rights Issue with Warrants.

BTM RESOURCES BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	BTM Resources Berhad ("BTM" or "the Company") - Variation of utilisation of proceeds pursuant to Rights Issue with Warrants.

The Board of Directors of BTM ("the Board") wishes to announce that the Board had resolved to vary part of the Rights Issue with Warrants proceeds of approximately RM14.224 million that was allocated for working capital requirements.

The revision is to reallocate proceeds for the buildings of a new factory together with the acquisition of plant and machineries for the manufacturing of wood pellet to be undertaken by BTM's wholly own subsidiary company, BTM Biomass Products Sdn Bhd (formally known as BTM Global Holdings Sdn Bhd), which the Board is of opinion would be in the best interest of the company.

Wood pellets are heating fuels made from compressed biomass. - It is produced by compressing sawdust from wood wastes recycled from sawmilling and other wood products manufacture into pellet that are uniform in size , shape, moisture, density and energy content. Pellets are extremely dense and can be produced with a low moisture content that allows them to be burned with very high combustion efficiency. Pellets are used as fuels for electric power plants, homes, and other application in between.

Details of utilisation of proceeds.- refer to attachment table

Note* - the cost to build a new factory is estimated about RM1,000,000 and the cost of plant and machineries comprising of a wood pellet making line is about RM4,000,000.