

General Announcement
Reference No BR-090716-59576

Company Name	:	BTM RESOURCES BERHAD
Stock Name	:	BTM
Date Announced	:	16/07/2009

Type : Reply to query
Reply to Bursa : IJ-090716-40521
Malaysia's Query Letter -
Reference ID
Subject : (I) Log Supply Agreement between Besut Tsuda Industries Sdn Bhd and SPPT Development Sdn Bhd ("SPPT")
(II) Timber Supply Agreement between Besut Tsuda Wood Products Sdn Bhd and Samas Limited ("SAMAS")
(III) Timber Supply Agreement between Besut Tsuda Wood Products Sdn Bhd and BTM Timber Industries Sdn Bhd ("BTMTI")
[Collectively referred to as the "Agreements"]

Contents : With reference to the Bursa Malaysia's Query letter, we have pleasure to furnish the following additional information:

The reason for the Main and Independent Advisers was not appointed before the terms of Agreements were agreed upon are due to the followings:
(i) As stated earlier, the source of funds for the purchase of the logs and sawn timber under the Agreements will be from the proceeds of the Proposed Rights Issue, on which an application has been submitted to Securities Commission on 8 July 2009.
(ii) Should the application of the Proposed Rights Issue is not approved by the Securities Commission, the Company will not proceed to obtain the resolution of the shareholders of the Company approving the transactions contemplated by the Agreements, as the Company will not have the source of funds to finance the purchases.

Query Letter content : We refer to your Company's announcements dated 15 July 2009, in respect of the aforesaid matter.

In this connection, kindly furnish Bursa Malaysia Securities Berhad ("Bursa Securities") with the following additional information for public release:-

The reason the Main and Independent Advisers was not appointed before the terms of the Agreements were agreed upon.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully

CHONG FUI TZY
Head, Issuers
Listing Division
Regulation

HTH/IJ
copy to:- Head, Market Surveillance, Securities Commission (via fax)

