ABTERRA LTD.
(Company Registration No. 199903007C)

MEMORANDUM OF UNDERSTANDING FOR PROPOSED ACQUISITION OF COMMERCIAL PROPERTY IN BEIJING, PRC – EXTENSION OF EXCLUSIVITY PERIOD AND DUE DILIGENCE PERIOD

1. INTRODUCTION

The Board of Directors (the "**Board**") of Abterra Ltd. (the "**Company**") refers to the announcement by the Company on 31 December 2014 ("**Announcement**") in relation to the Proposed Acquisition. Unless otherwise stated, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Announcement.

2. EXTENSION OF EXCLUSIVITY PERIOD AND DUE DILIGENCE PERIOD

Pursuant to the terms of the MOU, the parties have agreed to use their respective best endeavours to negotiate, finalise and execute the Definitive Agreements during the six (6) month period commencing on the date of the MOU ("**Exclusivity Period**"). During the Exclusivity Period, the Vendor shall not engage in any discussions, negotiations or dealings, or solicit, entertain or enter into any understanding or agreement with any third party regarding the Proposed Acquisition or other transaction which may conflict with or jeopardize the Proposed Acquisition without the prior written consent of the Company. The Exclusivity Period is due to expire on 30 June 2015.

Pursuant to the terms of the MOU, the Vendor has also agreed to permit the Company and its advisors to conduct an exclusive due diligence review of the Property and Group for a period of eight (8) weeks commencing on the date of the MOU ("**Due Diligence Period**"). The Due Diligence Period has expired on 28 January 2015.

As the Company is still in the process of carrying out its due diligence on the Group and the Property, the Company has, on 30 June 2015, agreed with the Vendor to extend the end date of each of the Exclusivity Period and the Due Diligence Period to 31 July 2015. The extension of the Exclusivity Period and the Due Diligence Period will allow the Company to complete its due diligence on the Group and facilitate the concurrent negotiations on, and the execution of, the Definitive Agreements.

3. FURTHER DEVELOPMENTS

The Company will make the appropriate announcements on any further developments in respect of the Proposed Acquisition.

BY ORDER OF THE BOARD

Lau Yu
Chief Executive Officer
30 June 2015