

**MALAYSIA SMELTING CORPORATION BERHAD (43072-A)**

**ANNOUNCEMENT**  
(For public release)

**INTRODUCTION**

The Board of Directors of Malaysia Smelting Corporation Berhad (“MSC”) announces that Rahman Hydraulic Tin Sdn Bhd (“RHT”), a wholly owned subsidiary of MSC, has just entered into a Memorandum of Understanding (“MOU”) with Menteri Besar Incorporated (Perak) (“MB INC”).

**BACKGROUND OF MOU**

RHT is in the business of tin mining and the company currently holds mining leases in respect of lands located at Klian Intan, Perak.

MB INC currently owns land measuring approximately 100 acres and 323 acres, respectively, adjacent to the southern boundary of RHT’s mining leases in Klian Intan, Perak (“MB INC Land”).

Subject to the entry of a definitive lease agreement, both RHT and MB INC are agreeable to the leasing of MB INC Land to RHT for the purpose of, among other things, dumping overburden, tailings and slime arising from RHT’s mining activity undertaken on its mining leases.

This MOU will serve as the framework for the preparation of the definitive lease agreement in respect of the MB INC land subsequently.

**SALIENT TERMS OF THE MOU**

The MOU sets out the provisional principal terms that have been agreed between RHT and MB INC with regard to the lease of the MB INC Land to RHT and other potential business arrangement with each other in relation, but not limited, to tin mining and related activities in the State of Perak.

The MOU is valid for one year from the date the MOU is entered into.

**EFFECT OF THE PROPOSED LEASING OF LAND**

The leasing of land will enable RHT to have, among other things, sufficient land for the purpose of dumping overburden, tailings and slime arising from RHT’s mining activity undertaken on its mining leases. The availability of such land for such purpose will enable RHT to improve its mining productivity.

## **RISK FACTORS**

The directors of MSC are of the view that the risk factors involved in the MOU at this juncture is minimal, as the nature of the MOU is within RHT's normal operations.

## **DIRECTORS AND MAJOR SHAREHOLDERS' INTERESTS**

None of the directors, major shareholders and persons connected with directors or major shareholders of MSC or any of its subsidiaries have interest, direct or indirect, in the MOU.

## **DOCUMENT(S) FOR INSPECTIONS**

The MOU is available for inspection at the Registered Office of the Company at Lot 6, 8 and 9, Jalan Perigi Nanas 6/1, Pulau Indah Industrial Park, West Port, Port Klang, 42920 Pulau Indah, Selangor during normal business hours for a period of three (3) months from the date of this announcement.