ABTERRA LTD.
(Company Registration No.: 199903007C)

APPOINTMENT OF CAI SUIRONG AS EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER – CLARIFICATION ANNOUNCEMENT

The board of directors (the **"Board"**) of Abterra Ltd. (the **"Company"**) refers to its announcement dated 26 October 2017 in relation to the appointment of Ms Cai Suirong ("**Ms Cai**") as an Executive Director and the Chief Executive Officer of the Company (the "**Appointment Announcement**").

Upon further discussions with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Company wishes to clarify that the response to disclosure item (j)(iv) of the Appointment Announcement should have been "Yes" as explained below:

(i) On 11 August 2011, the Company had on its own accord appointed PricewaterhouseCoopers ("**PwC**") as the independent reporting accountant to carry out an independent review on certain matters of the Company. PwC issued its independent review report (the "**PwC Report**") on 20 March 2013;

(ii) Following the PwC Report, the SGX-ST had on 7 January 2016 issued a public reprimand to the Company, Mr Cai Sui Xin and Mr Lau Yu (the "**Reprimand**");

(iii) the SGX-ST has advised that the Reprimand was issued after SGX-ST's investigation into potential breaches of the rules of the SGX-ST Listing Manual; and

(iv) Ms Cai was a director of the Company from February 2010 to April 2013, being a period during which there were matters occurring or arising for which the Company was investigated by SGX-ST.

In relation to the appointment of Ms Cai as Executive Director and Chief Executive Officer of the Company, the Nominating Committee and the Board have considered the above and noted that Ms Cai was not included by SGX-ST in the Reprimand. Taking into consideration Ms Cai's extensive experience, reputation, network and contacts in the industry of the Company's core business i.e. coal trading, as well as her previous directorship in the Company which gives her relevant and essential background understanding of the Company and its operations, the Nominating Committee and the Board are of the view that Ms Cai is very well suited to manage and lead the Group in its business expansion.

BY ORDER OF THE BOARD

Liu Zhiyang
Director
1 December 2017