****** THE STRAITS TRADING COMPANY LIMITED

DEVELOPMENT AT PT KOBA TIN, THE 75% OWNED SUBSIDIARY OF MALAYSIA SMELTING CORPORATION BERHAD, THE GROUP'S SUBSIDIARY

The Board of Directors of The Straits Trading Company Limited ('Company') wishes to inform that on 5 March 2008, Malaysia Smelting Corporation Berhad ('MSC') has released an announcement to provide clarifications received from the management of PT Koba Tin, in response to some inaccurate media reports concerning the on-going local police investigation on small scale mining subcontractors of PT Koba Tin. Please refer to the attached announcement of MSC for further information.

Mr. Norman Ip Ka Cheung and Mr. Razman Ariffin, Directors of the Company, are chairman and director of MSC respectively; as well as members of the Board of Commissioner of PT Koba Tin.

The Directors of the Company (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquires that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

Submitted by Emily Teo (Ms) Secretary

The Straits Trading Company Limited (Registration No. 188700008D) on 5/3/2008 to the SGX

This Announcement will be available at the Company's website at http://www.stc.com.sg/