

**ANNOUNCEMENT TO BURSA MALAYSIA:**

**AUSTRALIA ORIENTAL MINERALS NL (AOM) IS NOW A SUBSIDIARY OF THE COMPANY**

The Board of Directors of Malaysia Smelting Corporation Berhad ("MSC" or the "Company") wishes to advise that the MSC's associated company, Australia Oriental Minerals NL ("AOM"), became a subsidiary of the Company pursuant to a rights issue. The result of the allotment was announced to the Australian Stock Exchange ("ASX") by AOM today.

MSC currently holds a total of 1,677,545,461 shares amounting to 76.914% shareholding in AOM. Prior to the rights issue, the Company held 309,816,939 shares equivalent to 42.7% of AOM's issued share capital.

AOM rolled out a 5 for 1 Renounceable Rights Issue at AUD0.004 per share in an effort to raise up to AUD14.5 million in total before expenses on 17 July 2009. MSC, as a major shareholder of AOM, had agreed to subscribe for a minimum number of shares so as to enable AOM to repay its outstanding loan of AUD5 million and related interest to MSC.

This announcement is dated 25 August 2009.

By order of the Board,

Sharifah Faridah Abdul Rasheed  
Company Secretary