ANNOUNCEMENT TO BURSA MALAYSIA SECURITIES BERHAD:

SUBSCRIPTION OF 11,428,571 PURCHASED UNITS COMPRISING 11,428,571 COMMON SHARES WITH 6,799,999 DETACHABLE WARRANTS IN ASIAN MINERAL RESOURCES LIMITED ("AMRL"), REPRESENTING APPROXIMATELY 12.8% OF ITS ENLARGED ISSUED AND PAID-UP SHARE CAPITAL, FOR A TOTAL CASH CONSIDERATION OF APPROXIMATELY C$20.0 MILLION (OR APPROXIMATELY RM67.0 MILLION) PURSUANT TO A NON-BROKERED PRIVATE PLACEMENT BY AMRL ("SUSBCRIPTION")

1. INTRODUCTION

The Board of Directors ("**Board**") of MSC wishes to announce that MSC had on 21 December 2007 (Toronto time) entered into a subscription agreement with AMRL ("**Subscription Agreement**"), the details of which are set out in Section 2.3.1 of this Announcement. In conjunction with the execution of the Subscription Agreement, MSC had also on even date, entered into a Share Issuance Agreement and a Nomination Agreement with AMRL, the salient terms of which are set out in Sections 2.3.2 and 2.3.3 of this Announcement respectively.

(The Subscription Agreement, Share Issuance Agreement and Nomination Agreement are to be collectively referred to as "**Agreements**")

In addition, the Board of MSC is also pleased to announce that the Subscription was successfully completed on even date.

2. DETAILS OF THE SUBSCRIPTION

2.1 Background Information On The Subscription

Pursuant to the terms of the Subscription Agreement, the Company has subscribed for 11,428,571 purchased units at a subscription price of C$1.75 per unit comprising 11,428,571 common shares in AMRL ("**Common Shares**") with 6,799,999 detachable warrants in AMRL ("**Warrants**"), representing approximately 12.8% of the enlarged issued and paid-up share capital of AMRL, for a total cash consideration of approximately C$20.0 million (or approximately RM67.0 million based on an exchange rate of C$1.0000 = RM3.3477 as at 20 December 2007) pursuant to a non-brokered private placement by AMRL which was completed on 21 December 2007 (Toronto time).

Each purchased unit consists of one (1) Common Share and 0.595 Warrant (to be collectively referred to as "**Purchased Unit**") whereby each Warrant entitles the holder to acquire one (1) fully paid and non-assessable Common Share ("**Warrant Share**") at an exercise price of C$2.10 ("**Exercise Price**").

The salient terms of the Warrants are set out in **Table 1** of the Appendix of this Announcement.

2.2 Background Information On AMRL

AMRL was incorporated in New Zealand under the New Zealand Companies Act on 17 November 1988 and was registered under the New Zealand Companies Act 1993 on 5 May 1997.

Prior to the Subscription, the share capital of AMRL comprised of 73,258,256 Common Shares, all of which had been issued and are fully paid-up. However, with the completion of the Subscription together with a private placement by AMRL to another party involving 4,666,666 Common Shares on 21 December 2007 (Toronto time), the share capital of AMRL currently comprises of 89,353,493 Common Shares, all of which has been issued and are fully paid-up..

From 1996 to 1999, AMRL was a wholly-owned subsidiary of Spectrum Resources Limited ("**Spectrum**"), a public company which is traded on the New Zealand Stock Exchange as well as on the Vancouver Stock Exchange. However, in 1999, Spectrum distributed its entire shareholding in AMRL to its shareholders on the basis of one (1) Common Share for every four (4) shares held in Spectrum.

AMRL was listed on the TSX Venture Exchange on 19 April 2004 and was continued under the laws of the Province of British Columbia, Canada on 31 December 2004.

AMRL is principally involved in the exploration and development of mineral property interests. AMRL's only asset is its 90% equity interest in Ban Phuc Nickel Mines LLC ("**BPNM**") which in turns operates the Ban Phuc Nickel Sulphide Project ("**Project**") located in North Vietnam, about 160 kilometres west of Hanoi. The remaining 10% equity interest is held by a company owned by the People's Committee of the Province of Son La where the Project is located.

Through its 90%-ownership in BPNM, AMRL is developing high grade massive sulphide nickel deposit in Vietnam which has 1,230,000 tonnes of measured and indicated resources averaging 2.77% nickel, 1.13% copper and 0.09% cobalt. There is also a larger but lower grade disseminated sulphide resource, averaging only between 0.48% to 0.68% nickel, adjacent to the Project.

The first (1^{st}) stage of development of the Project has an ore reserve of 1,030,000 tonnes of massive sulphides averaging 2.4% nickel, 1.0% copper and 0.1% cobalt. Production is expected to commence in 2009. BPNM was granted a mining licence by the Ministry of Natural Resources and Environment of Vietnam ("**Mining Licence**") on 17 December 2007 to allow BPNM to mine the massive sulphide nickel ore (nickel, copper and cobalt) for a period of eleven (11) years commencing from the date of the Mining Licence for an area encompassing seven (7) hectares.

BPNM also has three (3) exploration licence applications, covering a total of approximately 98 square kilometres of prospective areas, in which significant nickel mineralisation has been encountered in several locations.

Under the Foreign Investment Licence granted in January 1993 which was subsequently replaced with an Investment Certificate on 30 July 2007 in accordance with the latest Vietnamese legislation, BPNM can operate for fifty (50) years until 2043 with the following incentives :-

(i) tax-free status for four (4) years from the first (1^{st}) profit-making year, followed by a 4-year period of 7.5% tax rate, followed by 15% until 2013 and 28% thereafter;

(ii) import duty exemption on all new project equipments provided that these machinery and equipments satisfy one (1) of the following criterias :-

(1) must be imported in the form of the investment capital contributed by the foreign party; or
(2) must be used for the capital construction of BPNM; or
(3) must be imported in order to produce goods for export out of Vietnam; and

(iii) government royalty of 3% on recovered metal, 5% tariff on exported nickel and 10% tariff on exported copper and cobalt.

Based on the audited consolidated financial statements of AMRL for the financial year ended ("**FYE**") 31 December 2006, the AMRL group of companies ("**AMRL Group**") registered a net loss of C$3.267 million as the AMRL Group has yet to commence commercial production but has incurred expenses relating to its exploration activities. The net assets of the AMRL Group as at 31 December 2006 is approximately C$6.2 million.

The historical financial information of the AMRL Group is set out in **Table 2** of the Appendix of this Announcement.

2.3 Salient Terms Of The Agreements

2.3.1 Subscription Agreement

The salient terms of the Subscription Agreement are as follows :-

(i) MSC acknowledges and agrees that AMRL will not be required to sell the Purchased Units to MSC unless, among other things, the following conditions are satisfied on or prior to 12:00 noon (Toronto time) on 17 December 2007 or such other date which is not later than 21 December 2007 ("**Closing Date**") :-

(a) that MSC is not a resident of the United States or Canada and that MSC executes and delivers the Subscription Agreement (including completed and duly signed copies of the Subscription Agreement and the subscription particulars as set out in the Subscription Agreement) and all other documents required by applicable securities legislation and the TSX Venture Exchange for delivery on behalf of MSC;

(b) that all regulatory approvals required to issue the Common Shares, Warrants and Warrant Shares (collectively, the "**Securities**") and the approval of the TSX Venture Exchange to list the Common Shares and Warrant Shares (if, as and when issued on the due exercise of the Warrants) are obtained by AMRL prior to the Closing Date;

(c) that the issue, sale and delivery of the Purchased Units is exempt from the requirements to file a prospectus or registration statement, or deliver an "offering memorandum" (as defined in applicable securities legislation) under applicable securities legislation relating to the sale of the Purchased Units, or that AMRL has received such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or registration statement, or delivering an offering memorandum;

(d) that the sale of the Purchased Units to MSC will not require AMRL to obtain the approval of its shareholders;

(e) the completion, execution and delivery by MSC of the Subscription Agreement, the Nomination Agreement and the Share Issuance Agreement; and

(f) that the representations and warranties of MSC contained in the Subscription Agreement and the Schedules thereto remain true and correct as of the Closing Date.

(ii) The obligation of MSC to purchase the Purchased Units is subject to, among other things, the conditions that :-

(a) AMRL delivering to MSC a certificate dated the Closing Date with certified resolutions of the board of directors of AMRL relating to the offering of the Purchased Units;

(b) prior to the Closing Date, AMRL having obtained all necessary approvals and consents, in form and substance satisfactory to MSC, required in connection with the offering including the conditional approval for the listing of the Common Shares and Warrant Shares (if, as and when issued) on the TSX Venture Exchange upon the expiry of the hold periods required under Canadian securities laws, such approval to be subject only to the filing of the required documents and payment of the required fees within the time stipulated by the TSX Venture Exchange;

(c) the representations and warranties of AMRL contained in the Subscription Agreement remain true and correct as of the Closing Date;

(d) MSC receiving on the Closing Date a legal opinion addressed to MSC in form and substance satisfactory to MSC and its counsel acting reasonably from Vietnam and Cook Island Counsel to AMRL; and

(e) MSC receiving on the Closing Date a legal opinion addressed to MSC in form and substance satisfactory to MSC and its counsel acting reasonably from Fasken Martineau DuMoulin LLP that :-

(1) AMRL is a corporation existing under the laws of the Province of British Columbia and has not been dissolved;

(2) AMRL has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted to execute and deliver the Subscription Agreement, the certificate representing the Warrants, the Nomination Agreement and the Share Issuance Agreement (to be collectively referred to as

"**Transaction Agreements**") and to perform its obligations therein, including the issuance and delivery of the Purchased Units and the Warrant Shares on the due exercise of the Warrants;

(3) the execution and delivery of the Transaction Agreements and the performance of the transactions contemplated thereby (including the issuance and delivery of the Purchased Units and the Warrant Shares on the due exercise of the Warrants) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the notice of articles or articles of AMRL, or conflict with or result in any breach of any applicable laws of general application of the Provinces of British Columbia or of Canada applicable therein or conflict with or result in any breach or violation of any order of any stock exchange or regulatory authority in Canada to which AMRL is subject;

(4) as to the authorised and issued capital of AMRL;

(5) all necessary corporate action having been taken by AMRL to authorise the execution and delivery by it of the Transaction Agreements and that each of the Transaction Agreements has been duly and validly executed and delivered by AMRL and each Agreement constitutes a legal, valid and binding obligation of AMRL enforceable against AMRL in accordance with its terms, subject to bankruptcy, insolvency or other laws affecting creditors generally, general equitable principles and the qualification that as to rights to indemnity, contribution and waiver of contribution contained therein may be limited by applicable law;

(6) the Purchased Units having been validly issued as fully paid and non-assessable Common Shares and the Warrant Shares (if, as and when issued on the due exercise of the Warrants) will be validly issued as fully paid and non-assessable Common Shares;

(7) the issuance and sale of Purchased Units being exempt from the prospectus and registration requirements of applicable securities laws;

(8) there is no consent, approval, authorisation, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over AMRL in Canada which, under the laws of the Province of British Columbia or the laws of Canada applicable therein is required for the execution, delivery and

performance by AMRL of the Transaction Agreements, except such as have been obtained; and

(9) the Common Shares and the Warrant Shares, if, as and when issued, have been conditionally approved for listing on the TSX Venture Exchange on the expiry of all required hold periods under Canadian securities laws, subject to the filing of the required documents and payment of the required fees within the time stipulated by the TSX Venture Exchange.

The abovementioned conditions and obligations had been fulfilled by the respective parties on 21 December 2007 (Toronto time) prior to the completion of the Subscription.

2.3.2 Share Issuance Agreement

The salient terms of the Share Issuance Agreement are as follows :-

(a) If at any time during the term of the Share Issuance Agreement AMRL determines to offer any Common Shares and securities convertible into Common Shares or representing the right or obligation to acquire Common Shares ("**Equity Securities**"), AMRL will, not less than fifteen (15) days prior to the proposed date of such proposed offering, give notice of the proposed offering to MSC. The notice shall specify the total number and type of Equity Securities to be offered, the issue price for each such security and the closing date of the offering. The notice shall also provide MSC with the right to acquire, in accordance with and under the offering, only that number of Equity Securities as will enable MSC and its affiliates to own after the completion of the offering the same percentage of Common Shares (calculated on a fully-diluted basis with respect to those Equity Securities, if any, offered in connection with such offering that are not Common Shares) that MSC and its affiliates owned immediately before the date on which the notice was given.

In connection with the first offering of Equity Securities during the term of the Share Issuance Agreement, the notice shall instead provide MSC with a one time right to acquire, in accordance with and under such first offering, that number of Equity Securities as will enable MSC and its affiliates to own after the completion of such first offering that number of Equity Securities (calculated on an as converted basis) that represent not more than 19.99% of the issued and outstanding Common Shares.

A right to acquire contained in a notice shall be open for acceptance by MSC in writing to AMRL for a period of five (5) days from the date on which notice was given by AMRL to MSC. MSC and AMRL shall complete the purchase and sale of the Equity Securities to be issued to MSC concurrently with the closing of the related offering. For greater certainty, AMRL shall not be obligated to issue any Equity Securities to MSC if the related offering does not close.

Notwithstanding any other provision in this section, MSC shall not be entitled to exercise the rights provided in this section during any time that MSC and its affiliates are the owners of that number of Equity Securities that represent on an as converted basis more than 19.99% of the issued and outstanding Common Shares. For greater certainty, nothing in the Share Issuance Agreement shall obligate AMRL to issue Equity Securities to MSC or provide MSC with the right to subscribe for the Equity Securities if the Equity Securities to be issued would, when combined with the Equity Securities owned by MSC and its affiliates, represent more than 19.99% of the issued and outstanding Common Shares.

If MSC fails to provide notice to AMRL within the prescribed time provided therein that it wishes to exercise its rights under this section, such rights shall deemed to have expired unexercised.

(b) The term of the Share Issuance Agreement shall commence at midnight on 9 January 2008 (Toronto time); and

(c) The Share Issuance Agreement shall automatically terminate and be of no force and effect on the earlier of :-

(i) the date that MSC ceases to own that number of Common Shares that represent at least 10% of the then issued and outstanding Common Shares;

(ii) the date that is two (2) years from the date of the Share Issuance Agreement;

(iii) ten (10) days from the date MSC is provided with a notice contemplated under Section 2.3.2(a) of this Announcement and MSC fails, or is deemed to have failed, to exercise its right under Section 2.3.2(a) of this Announcement within the time permitted therein or, if exercised, fails to complete the purchase and sale of the Equity Securities offered (other than as a result of AMRL not completing the related offering); and

(iv) the date that the wholly-owned subsidiary of MSC which MSC shall be permitted to assign the Share Issuance Agreement (“**Permitted Assign**”), if any, ceases to be a wholly-owned subsidiary of MSC.

2.3.3 Nomination Agreement

The salient terms of the Nomination Agreement are as follows :-

(a) During the term of the Nomination Agreement, MSC shall be entitled to nominate one (1) Board member for aggregate successive one (1) year term (“**MSC Nominee**”);

(b) At any time and from time to time, if AMRL determines that it is necessary or advisable to hold a meeting of its shareholders at which the election or removal of directors to or from the Board is to be considered, AMRL shall provide written notice of its intention to take such action to MSC, which notice must be provided in a commercially reasonable manner;

(c) Subsequent to MSC's receipt of notice from AMRL pursuant to Section 2.3.3(b) of this Announcement, if MSC wishes to nominate one (1) MSC Nominee pursuant to its rights set out in Section 2.3.3(a) of this Announcement, any such MSC Nominee must be likely to add value to AMRL and its operations, in the view of MSC acting in a commercially reasonable manner and is eligible to serve as a director of AMRL pursuant to the applicable corporate and securities laws, the rules and policies of any exchange on which the Common Shares are listed and other regulatory provisions to which AMRL is subject;

(d) The recommendation of any MSC Nominee for election by shareholders shall be subject to the prior approval of the Board acting reasonably in accordance with :-

(i) any disclosed charters, policies or practices adopted by the Board of AMRL from time to time; and

(ii) applicable Canadian securities laws;

(e) MSC may within fifteen (15) business days after the date of the notice MSC receives from AMRL pursuant to Section 2.3.3(b) of this Announcement, submit a written notice of the identity and name(s) of a MSC Nominee(s) ("**Notice of Nomination**") to AMRL. If MSC does not deliver a Notice of Nomination to AMRL within fifteen (15) business days, MSC shall be deemed to have given notice to AMRL that it wishes to re-elect the previous MSC Nominee to the Board of AMRL;

(f) If the MSC Nominee shall be disqualified, removed or resign or otherwise cease to be a director of AMRL, MSC will have the right to designate a further MSC Nominee to fill the vacancy so created and Sections 2.3.3(c) to 2.3.3(f) of this Announcement shall apply to such MSC Nominee;

(g) Subject to Sections 2.3.3(c) to 2.3.3(f) of this Announcement, AMRL agrees that it shall present and recommend that its shareholders elect the MSC Nominee to the Board on all proxies solicited, and in all proxy solicitation materials, in respect of every meeting of the shareholders of AMRL at which the election of directors to the Board is considered and at every adjournment or postponement thereof;

(h) The MSC Nominee elected or appointed to the Board shall also be appointed by the Board of AMRL to any Technical Committee of the Board of AMRL or any subsidiary of AMRL;

(i) Subject to Sections 2.3.3(c) to 2.3.3(f) of this Announcement, AMRL agrees that as soon as practicable after the commencement of the Nomination Agreement, AMRL shall cause the MSC Nominee to be appointed to the Board of AMRL;

(j) The term of the Nomination Agreement shall commence on the date MSC duly exercises the 6,799,999 Warrants;

(k) The Nomination Agreement shall automatically terminate and be of no force and effect on the earlier of the date that :-

(i) MSC shareholding ceases to represent at least 15% of the then issued and outstanding Common Shares; and

(ii) the Permitted Assign, if any, ceases to be a wholly-owned subsidiary of MSC; and

(l) Upon termination of the Nomination Agreement, no party shall have any further obligations or liabilities hereunder; provided, that such termination shall not relieve any party from liability for any breach of the Nomination Agreement prior to such termination.

2.4 Basis Of Arriving At The Purchase Consideration

The purchase consideration for the Subscription was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the following :-

(i) 3-month and 1-month weighted average market price of the Common Shares up to and including 19 December 2007, being the last market day which saw the trading of the Common Shares prior to the execution of the Subscription Agreement on 21 December 2007 (Toronto time), of C$1.85 and C$1.64 respectively;

(ii) the current status of the Project, the issuance of the Mining Licence to BPNM and the estimated lead time for commencement of commercial production;

(iii) the historical performance of nickel prices relative to the performance of the Common Shares; and

(iv) the fundamental as well as outlook and prospects of the Project and the nickel industry.

2.5 Ranking Of The New Common Shares

The new Common Shares in AMRL which was issued pursuant to the Subscription rank pari passu in all respects with the existing issued Common Shares of AMRL, except that they shall not be entitled to participate in any dividends, rights, allotments and/or any other distributions that may be declared, made or paid prior to the date of allotment of the new Common Shares in AMRL.

2.6 Liabilities To Be Assumed

There are no liabilities, including contingent liabilities and guarantees, to be assumed by MSC pursuant to the Subscription.

2.7 Source Of Funding

The Company had utilised its internal funds to wholly finance the Subscription.

In turn, AMRL will utilise the proceeds arising from the Subscription to finance the development of the Project and for working capital purposes.

3. RATIONALE FOR THE SUBSCRIPTION

The Board of MSC is of view that the Subscription represents a strategic and significant entry for the MSC group of companies ("**MSC Group**" or "**Group**") into the nickel mining business in the Asean region. The outlook of the nickel market is favourable, particularly in relation to the stainless steel industry. The Project offers high grade deposits and in turn, low per unit cost of production, backed by strong and proven project management capabilities. The Project also requires low capital expenditure. Presently, the MSC Group is involved in the mining, smelting, refining and marketing of tin metal and associated value-added products. The MSC Group also has exploration interests in gold and base metals in Australia.

The Project has a short lead time to production which is expected to commence in 2009. This will enable MSC to recoup its investment in AMRL within a relatively short period of time, making this investment more attractive for MSC. Based on its extensive experience as a resource-based player, there is always a gestation period in earnings for similar mining projects and the time frame before commencement of production is normally about five (5) years or more.

BPNM also has three (3) exploration licence applications covering 98 square kilometres of area adjacent to the Project which is considered to be high potential for nickel deposits. The said areas are part of the 150 square kilometres covered in the previously granted exploration licence which had to be re-applied in accordance with the latest Vietnamese legislation. The exploration licences offer a significant upside for BPNM. This will bode well for AMRL and ultimately, MSC which will have a significant stake in AMRL pursuant to the Subscription.

Coupled with the tax exemption and incentives, it is expected that over the longer term, MSC will benefit from the future earnings contribution as well as reasonable return on investment from the nickel mining activities of the AMRL Group. The Project is also located in Vietnam which is a growing economy in the Asian Region.

4. RISK FACTORS AND PROSPECTS

4.1 Risk Factors

(a) No Prior History Of Production

AMRL which is currently engaged in the business of mineral exploration has no history of production and as such, the investment in AMRL may be viewed as speculative in nature. However, the directors of AMRL have vast experience in the mining industry, including in-depth mining engineering expertise and project financing and AMRL also has a strong management team with relevant development and operation experience. This lends support to the existing business of the AMRL Group since BPNM which has proven and mineable high grade nickel reserves is expected to commence commercial production in 2009.

(b) Licensing And Regulations

BPNM had on 17 December 2007 been granted with the Mining Licence in relation to the Project. BPNM also has three (3) exploration licences covering 98 square kilometers of area adjacent to the Project. There can be no assurance that BPNM will be granted licences for its future mining activities in respect of the said area and/or that the Mining Licence can be renewed upon expiry by the relevant authorities.

Notwithstanding this, for the issuance of the Mining Licence, BPNM was able to satisfy all the requirements of the Vietnamese authorities as pre-conditions to the issue of the Mining Licence. Furthermore, BPNM is a joint-venture arrangement involving the local community and the mining activities to be undertaken by BPNM are expected to bring various benefits to the economy of the locality and consequently, the Vietnamese economy.

(c) Operational Risks

With the Mining Licence in place, BPNM will be able to commence its mining activities in the immediate to medium term. Accordingly, BPNM will be subject to certain operational risks including delays or problems encountered during mining work as well as cost overruns. Any significant delay or problems may have a material and/or adverse effect on the operations and financial performance of the AMRL Group. However, the AMRL Group has a strong Board as well as management team who have extensive experience in mine development and operations who will be able to mitigate and address any operational issues arising from the mining activities of BPNM.

(d) Business Risks Associated With The Nickel Industry

The Subscription basically expands the activities of the MSC Group to include nickel business which may alter the existing risk profile of the MSC Group. The performance of the AMRL Group is subject to certain business risks which are inherent to the nickel industry, including but not limited to, general economic outlook in the region it operates, namely Vietnam, competition within the industry, the price of nickel, abnormal stoppages in production due to factors such as war, political or civil unrest and industrial obligations, poor weather conditions and changes in local or international regulations pertaining to nickel, all of which may affect demand and supply conditions. There can be no assurance that any change to these factors will not have a material and/or adverse effect on the operations and financial performance of the AMRL Group.

However, it is expected that BPNM will be a low cost nickel producer in view of its higher grade deposits. This will bode well for the AMRL Group in terms of its future financial performance upon commencement of commercial production and consequently, enhance the value of MSC's investment in AMRL.

(e) Policies On Foreign Investment And Repatriation Of Profits In Canada And Vietnam

Pursuant to the Subscription, MSC will be subject to the policies on foreign investment and repatriation of profits under the Canadian and Vietnamese Laws. Generally, there are no restrictions in the policies on foreign investment and repatriation of profits from these countries. However, there can be no assurance that any changes to these laws in the future will not have a material and/or adverse effect on MSC.

(f) Currency Risk

The AMRL Group is exposed to fluctuations of the Vietnamese Dong, Australian Dollar and Canadian Dollar against other major currencies including the US Dollar since its future sales will be denominated in US Dollar whilst the costs of its operations will be denominated in Vietnamese Dong, Australian Dollar as well as Canadian Dollar.

There can be no assurance that future foreign exchange fluctuations will not have a material and/or adverse effect on the financial performance of the AMRL Group. Notwithstanding this, steps will be taken to have a vigilant treasury management of funds to minimise foreign currency exposure. Where appropriate, the AMRL Group will also consider hedging measures to reduce its currency risks.

(g) Political And Economic Considerations

Like any other business entities, changes in political and economic conditions in the country in which the AMRL Group operates, namely Canada and Vietnam, could materially and/or adversely affect the financial and business prospects of the AMRL Group. These political and economic uncertainties include but not limited to, changes in political leadership, expropriation, nationalisation, social unrest, changes in interest rates and methods of taxation.

Notwithstanding this, Vietnam is one of the fast growing economies in the Asia region which has experienced significant investments flowing into the country.

(h) Selling Restriction On Securities

MSC will not be able to sell the Purchased Units (including the Warrant Shares) to or for the benefit of a resident of Canada for a period of four (4) months and a day from the Closing Date i.e. up to 22 April 2008 unless an exemption is available under applicable Canadian securities laws. This is due to the fact that the Subscription was undertaken via a private placement and without the issuance of a prospectus. Notwithstanding this, during this restricted period, MSC may sell the Purchased Units to an accredited investor as defined under Canadian securities laws which includes but is not limited to a Canadian financial institution, the Business Development Bank of Canada, a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada, an individual who either alone or with a spouse has net assets of at least C$5,000,000 (or approximately RM16.7 million based on an exchange rate of C$1.0000 = RM3.3477 as at 20 December 2007) or a person other than an individual or investment fund that has net assets of at least C$5,000,000 as shown on its most recently prepared financial statements.

However, the Subscription is a long-term investment for MSC in view of the prospects of BPNM and as such, barring any unforeseen circumstances, the Company does not intend to dispose the Purchased Units in the immediate term.

4.2 Future Prospects Of The AMRL Group And MSC Group

Apart from the measured and indicated massive high grade sulphide resource which BPNM is already developing, BPNM also holds exploration licence applications covering 98 square kilometres of area adjacent to the Project. This offers good potential for :-

(i) further drilling in and around the massive sulphide deposit for an extension of mineralisation at greater depths;
(ii) delineating the higher grade portions of the disseminated sulphide resources; and
(iii) follow-up exploration in locations where significant nickel mineralisation have been encountered.

In other words, there is significant potential of reserves to be found within the vicinity which will bode well for the AMRL Group.

As for its exploration activities, the AMRL Group is currently recruiting a geological team to undertake such activities for purposes of identifying new locations for additional reserves.

Taken all factors into account, the Board of MSC is of the view that the Subscription is a good long-term investment for MSC.

5. EFFECTS OF THE SUBSCRIPTION

5.1 Share Capital

The Subscription does not have any effect on the share capital of MSC since it was satisfied entirely in cash.

5.2 Net Assets And Gearing

The Subscription does not have any effect on the net assets and gearing of the MSC Group since it was satisfied entirely in cash.

5.3 Earnings

The Subscription will not have any material effect on the earnings of the MSC Group for the financial year ending 31 December 2007 since the Subscription was completed on 21 December 2007 (Toronto time) and the AMRL Group has yet to commence production.

Barring unforeseen circumstances, it is expected that the Subscription will contribute positively to the earnings of the MSC Group over the longer term, especially upon commencement of commercial production by BPNM which is expected to take place in 2009.

5.4 Substantial Shareholders' Shareholdings

The Subscription does not have any effect on the shareholdings of the substantial shareholders in MSC since it was satisfied entirely in cash.

6. CONDITIONS TO THE SUBSCRIPTION

The approval of TSX Venture Exchange for the closing of the non-brokered private placement by AMRL was obtained by AMRL prior to the date of this Announcement.

The Subscription is not conditional upon any other approval.

7. DEPARTURE FROM THE POLICIES AND GUIDELINES ON ISSUE / OFFER OF SECURITIES OF THE SECURITIES COMMISSION ("SC") ("SC GUIDELINES")

To the best of the knowledge of the Board of MSC, the Subscription does not depart from the SC Guidelines. In any event, the Subscription does not require the approval of the SC.

8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the directors and major shareholders of the Company as well as persons connected with them have any interest, direct and/or indirect, in the Subscription.

9. DIRECTORS' STATEMENT

Having considered the rationale for the Subscription and after due deliberation, the Board of MSC is of the opinion that the Subscription is in the best and long-term interest of the Company and its shareholders.

10. ESTIMATED TIME FRAME FOR COMPLETION

The Subscription was successfully completed on 21 December 2007 (Toronto time).

MSC is not required to seek the approval of any local authorities with regards to the Subscription.

11. DOCUMENTS AVAILABLE FOR INSPECTION

The Agreements are available for inspection at the registered office of MSC at 27, Jalan Pantai, 12000 Butterworth, Penang during normal business hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this Announcement.

This Announcement is dated 23 December 2007.

By order of the Board,
Abdul Rahim Hussain
Sharifah Faridah Abdul Rasheed
Company Secretaries

APPENDIX

Table 1 : Salient Terms Of The Warrants

Issuer	:	AMRL
Exercise Right(s)	:	Each Warrant entitles the holder to purchase one (1) fully paid and non-assessable Common Share in the capital of AMRL at the Exercise Price during the Exercise Period
Exercise Period	:	The Warrants are exercisable at the option of the holder at any time and from time to time until 30 April 2008
Exercise Price	:	C$2.10 (or approximately RM7.03 based on an exchange rate of C$1.0000 = RM3.3477 as at 20 December 2007) or such adjusted price pursuant to events as set out hereunder
Mode of Exercise	:	The holder of the Warrants shall pay cash for the Exercise Price
Exercise Restriction	:	The Warrants may not be exercised in the United States or by or on behalf of a U.S. Person, unless registered or an exemption from registration is available
Transferability	:	The Warrants may not be transferred to, or for the benefit of, a transferee in the United States or a U.S. Person, unless registered or an exemption from registration is available
Events during the Exercise Period which may result in an adjustment to the Exercise Price and the number of common shares to be issued upon exercise of the Warrants	:	(i) Share Reorganisation which shall include :- (1) issue shares or securities exchangeable for or convertible into shares to holders of all or substantially all of its then outstanding shares by way of stock dividend or other distribution, or (2) subdivide, redivide or change its outstanding Shares into a greater number of shares, or (3) consolidated, reduce or combine its outstanding shares into a lesser number of shares. (ii) Rights Offering for the issue or distribution of rights, options or warrants to all or substantially all of the holders of shares under which such holders are entitled (iii) Special Distribution where AMRL shall issue or distribute to all or to substantially all the holders of the shares :- (1) securities of AMRL including shares, rights, options or warrants to acquire shares of any class or securities exchangeable for or convertible into or exchangeable into any such shares or cash, property or assets or evidences of its indebtedness, or (2) any cash, property or other assets.

		(iv) Capital Reorganisation where there is a reclassification or redesignation of shares in AMRL at any time outstanding or a change of the shares into other shares or into other securities or any other capital reorganisation (other than a share reorganisation) or a consolidation, amalgamation, arrangement or merger of ARML with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification or redesignation of the outstanding shares or a change of the shares into other securities), or a transfer of the undertaking or assets of AMRL as an entirety or substantially as an entirety to another corporation or other entity In the event of a Share Reorganisation, a Rights Offering or a Special Distribution, the number of Common Shares of AMRL issuable upon exercise will also be adjusted to give effect to the adjustment
Listing status of the Warrants	:	The Warrants will not be listed on the TSX Venture Exchange

Table 2 : Historical Financial Information Of AMRL

	←---Audited---			→	
		←---FYE 31 December---		→	
	9-month period ended 31 December 2003	**2004**	**2005**	**2006**	**Unaudited nine (9) month period ended 30 September 2007**
	(NZ$'000)	**(C$'000)**	**(C$'000)**	**(C$'000)**	**(C$'000)**
Revenue	-	-	-	-	-
Profit/ (Loss) before tax	(3,104)	(5,223)	(4,078)	(3,267)	(5,478)
Taxation	-	-	-	-	-
Profit/ (Loss) after tax	(3,104)	(5,223)	(4,078)	(3,267)	(5,478)
MI	-	-	-	-	-
Net profit / (loss) attributable to shareholders	(3,104)	(5,223)	(4,078)	(3,267)	(5,478)

9-month period 31 December 2003

The loss for the period was due to a write down in exploration expenditure of approximately NZ$2.7 million as a result of exploration and development rights being relinquished in 2003.

FYE 31 December 2004

For the financial year, the loss increased by C$4.60 million due to increase in exploration expenditures by C$3.20 million as well as an increase in other operating costs by C$1.41 million.

FYE 31 December 2005

The reduction in losses by C$1.15 million for the financial year is mainly due to a decline in exploration expenditures of C$1.37 million as compared to the previous year.

FYE 31 December 2006

The substantial decrease in losses for the financial year is mainly due to a reduction in exploration expenses by C$1.36 million in tandem with the reduction in activities. Operating expenses (excluding exploration expenses and stock option expenses) increased during 2006 to C$2.24 million compared with C$1.82 million in 2005 mainly attributable to increases in office administrative, travel and conferences expenditures.

9-month period ended 30 September 2007

AMRL's costs during the period was substantially higher compared to the corresponding period in 2006 as a result of an increase in exploration and pre-development expenditures by approximately C$0.99 million, foreign exchange losses due to changes in the relative value of the US and Canadian dollar of about C$0.46 million as well as an increase in stock based compensation expenses of about C$1.43 million.