

CIMB**Commerce International Merchant Bankers Berhad**

Company Number 18417-M

FOR PUBLIC RELEASE

16 March 2005

By fax/hand

Bursa Malaysia Securities Berhad
14th Floor, Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

Attention: Encik Johan Abdullah

Dear Sirs

STRAITS TRADING AMALGAMATED RESOURCES SDN BHD ("STAR (M)"), A WHOLLY-OWNED SUBSIDIARY OF THE STRAITS TRADING COMPANY LIMITED ("STC")

MANDATORY TAKE-OVER OFFER BY STAR (M) TO ACQUIRE 16,361,000 ORDINARY SHARES OF RM1.00 EACH IN MALAYSIA SMELTING CORPORATION BERHAD ("MSC") ("MSC SHARES") REPRESENTING 21.81% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF MSC NOT ALREADY OWNED BY STAR (M) AND PERSONS ACTING IN CONCERT WITH IT, FOR A CASH CONSIDERATION OF RM6.12 PER MSC SHARE ("OFFER")

We refer to the above. On 26 November 2004, Commerce International Merchant Bankers Berhad ("CIMB") on behalf of STC made an announcement under Section 12(1) of the Malaysian Code on Takeovers and Mergers, 1998 ("Code") on the Offer in accordance with Practice Note 2.1 of the Code.

Under Section 32(3) of the Code, the offeror, STAR (M) and all persons acting in concert with it ("PAC") are required to disclose their dealings in the securities of MSC.

On behalf of STAR (M), CIMB wishes to inform Bursa Malaysia Securities Berhad on the following dealings in the securities of MSC by STAR (M) in accordance with Section 32(4) of the Code:

STAR (M)

Transaction date	Counter	Acquisition	Disposal	Average Price (RM)
16 March 2005	MSC shares	1,167,600	-	6.1198

Based on the above dealings, the shareholdings of STAR (M) and the PAC in MSC are as follows:

	Number of MSC shares held	%
MSC shares held as at 17 February 2005, being the date of the Notice of Offer	29,995,000	39.99
MSC shares acquired between 18 February 2005 and 15 March 2005	6,487,300	8.65
MSC shares acquired by STAR (M) on 16 March 2005	1,167,600	1.56
MSC shares held by STAR (M) and the PAC as at 16 March 2005	<u>37,649,900</u>	<u>50.20</u>

Accordingly, pursuant to Section 25(1) of the Code, CIMB on behalf of STC and STAR (M) wishes to inform that the Offer will be made **UNCONDITIONAL** as to acceptances as the collective shareholdings of STAR (M) and the PAC in MSC has exceeded 50% of the issued and paid-up share capital of MSC.