

PENTON INTERNATIONAL LIMITED
Incorporated in the Republic of Singapore
Company Registration Number 200003044C

In paragraph 1.4 of the Company's circular to its shareholders dated 19 Jan 2005 ("Circular") and re-iterated in the announcement made earlier today, the counter remains suspended and lifting of suspension will occur only when the following conditions are met:

- (a) able to demonstrate to the Singapore Exchange Securities Trading Limited (the "SGX-ST") that the Company has a healthy financial position in terms of:
 - (i) being profitable
 - (ii) having a positive cash flow from operations and sufficient working capital
 - (iii) having resolved its debt issues
- (b) demonstrate a reasonable track record in the marble quarry business of up to three years from the date of completion of the Acquisition.

The Board would like to update its shareholders on the progress made in the efforts to apply to the SGX-ST for the lifting suspension on the trading of the Company Shares. They are as follows: -

1. Capital Structure

As previously announced, the High Court of the Republic of Singapore has on 2 March 2005 granted an order to confirm the Capital Reduction pursuant to Section 73 of the Companies Act (Cap 50). The Order of Court was lodged with Accounting & Corporate Regulatory Authority of Singapore ("ACRA") on 3 March 2005 and takes effect from 3 March 2005. All actions have been taken in accordance with the Scheme of Arrangement. Hence, the Group is recapitalized and solvent after converting all its debts into equity.

As announced earlier today, the SGX-ST has given its in principle approval of the capital reduction of the Company's shares in its letter dated 19 July 2005. Please note that the SGX-ST's in principle approval is not an indication of the merits of the capital reduction. In the said letter, SGX-ST has stated that it would, however, defer considering the application for listing and quotation of up to 580,000,000 new shares of par value S\$0.005 arising from the Debt Settlement until such time the SGX-ST is satisfied that the Company meets the conditions necessary for the lifting of suspension.

Since 3 Mar 2005, the Company has placed out through Commerz Bank Asset Management, its shares of par value of S\$0.005 at S\$0.05 each, as follows:

<u>Number of Shares</u>	<u>Amount</u>	<u>Date of Placement</u>
30 million	S\$1.5million	8 Mar 2005
30 million	S\$1.5million	15 Jul 2005

Soedjono Halim, an individual investor, had also taken 10 million shares of par value of S\$0.0005 each in the capital of the Company at S\$0.05 each i.e. S\$500,000 placement on 24 Mar 2005. Thus the Group is in a healthy cash position to embark on its business plan.

In addition, as highlighted in paragraph 9.4 of, the Circular, the Company has under its general share issue mandate issued 25 million shares to HSBC Bank plc (HSBC) in full and final settlement of the claims by HSBC relating to the dispute without admission of any liability.

The Board would like to highlight that the Company would be seeking in-principle-approval with the Exchange on the listing and quotation of the following:

- 70 million shares issued for cash;
- 25 million shares issued to HSBC Bank plc; and
- 547.9 million shares issued pursuant to the debt restructuring exercise together with its application for lifting of the suspension

2. Board Matters

We are pleased to announce that Mr Nadeem Akhtar, a lawyer based in United Kingdom has agreed to join the Board as an Independent Director with effect from 25 July 2005. Penton has used and may use his services as a lawyer on an arms length basis and shall if require disclose all fees and charges paid to Mr Nadeem Akhtar' s law firm- Tavistock Law. Subsequent to Mr Nadeem Akhtar's appointment, the various committees shall be organized with effect from 25 July 2005 as follows:

Audit Committee- All Independent Directors
 Dr Wong Kwei Cheong (Chairman)
 Mr Khor Peng Soon
 Mr Nadeem Akhtar

Remuneration Committee- Majority Independent Directors
 Mr Khor Peng Soon (Chairman)
 Dr Wong Kwei Cheong
 Mr AKM Ismail

Nomination Committee- All Independent Directors
 Nadeem Akhtar (Chairman)
 Dr Wong Kwei Cheong

Mr Khor Peng Soon

3. Operational Matters

The legal documentation relating to the acquisition of the 75% shareholding interest in PT Anekatama Bumiserasi that owns the marble quarry in South Sulawesi, Indonesia was also completed recently. The longer than expected time in completing the legal documentation has resulted in the delay in sending specialist staff from the Company to oversee the expansion of the marble quarry. Please note that the financial performance is positive but the audited results show a much weaker result than the unaudited numbers given by the Management in the Circular dated 19 Jan 2005.

Thus, the Board felt that in order to have a sustained growth we would need a sizeable project in a corresponding sector. After much discussion within the Board and institutional investors the Board has decided to pursue projects with focus on coal and iron ore, as these are complimentary activities involving exploitation of natural resources derived from mining. In this regard, the Board is pleased to inform the incorporation of the following subsidiaries:

PT Penton Indonesia (PTPI), 99% owned by the Company and 1% owned by Mr. The Tje Min (who is a Director and Executive Chairman) as per Indonesian regulations with a paid up capital of US\$150,000. This Company will be a holding company for Indonesian investments. It was incorporated on 5 Jul 2005 and the registration is in process.

PT Sukses Lancar Sentosa (SLS) is 72.86% owned by PTPI and the balance by Mr. Isnandar Yuwono, the current owner of the mining concession. This company will be a holding company for coal mine projects in Jambi, Indonesia. SLS was incorporated on 8 Jun 2004 and registered on 12 Nov 04. Its paid up capital is in the process of being increased to US\$100,000 of which US\$72,860 would be contributed by PTPI.

SLS will hold 70% of three companies :PT Sinar Anugerah Sukses (SAS) (Date of Incorporation: 23 Jun 2004 and Date of Registration : 20 Aug 2004), .PT Anugerah Jambi Coalindo (AJC) (Date of Incorporation: 23 Jun 2004 and Date of Registration : 30 Aug 2004)and PT. Bakti Sarolangun Sejahtera (BSS) (Date of Incorporation: 23 Jun 2004 and Date of Registration : 30 Aug 2004) , which relate to coal mines in Jambi adjacent to SAS and are to be developed at a later stage. The total site coverage of the mines wholly-owned by the three companies is 15,000 hectares.

Through this corporate structure, Penton has an effective 50.5% ($=0.99*0.7286*0.70$) stake in three Coal mines in Jambi, one of which is ready for production and another two which are Greenfield mine sties..

4 Business Plans

- a) Based on initial surveys done, the three Coal mines in Jambi have an estimated reserve of about 40 million tons. As part of the consideration for acquiring equity in these mines Penton is procuring the financing for the development of these mines to their full potential. In this regard we are in discussions with Commerz Asset Management and other bankers to raise the estimated US\$5 million required for the Jambi mines. Application of the funds would be as follows :
- (i) SAS shall borrow US\$2.7 million to repay the outstanding borrowings of about US\$700,000 to the contractors and use the remaining US\$2.0 million as additional working capital.
 - (ii) SLS shall borrow US\$2.3 million and also utilize it for repayment of creditors who are also contractors of the SAS and whose continued support is essential for the continuing of business operations in respect of the development and operation of the Coal Mine.
 - (iii) US\$2.3 million will be disbursed to the Mining contractors in three tranches: US\$1.3 million upon completion of legal documentation and US\$05 million when the production reaches 30,000 tons/month and the balance US\$0.5 million when the production reaches 60,000 tons/ month.

In this regard we are in discussions with Commerz Asset Management and other bankers to raise the US\$5 million required for the above Jambi project. Management has sighted geological reports showing a least 20 million tons of proven coal reserves in the SAS mine, there by making it a significant step forward which will provide the necessary profitability and sustained growth for the Company.

- b) We are also pleased to inform the setting up of a 49% joint venture in Chennai, India with the AIE Group (through Wooltop Designs Pvt Ltd) to be called AA Penton Trading (India) Pty Ltd (AA Penton) with a nominal paid up capital. This company will be used for selling coal and marble to the Indian market and at a later stage source iron ore from India. AIE Group has agreed to provide funding for the joint venture by taking up placement of 20 million Penton shares with a par value of S\$0.005 at S\$0.05 each. The funds from this new share subscription are to be injected into AA Penton as capital or interest-free loan (taking into account the provisions of Indian regulations), subject to Penton always retaining the 49% stake in the venture. AIE Group is a trading company primarily in textiles and having factories in India, Jordan and Morocco. It is envisaged that AIE Group's parentage and banking facilities with Indian banks can be utilized to purchase the coal from Jambi and AIE Group has agreed to use its best efforts to establish a US\$10 million

line for AA Penton. AIE Group is in discussions with buyers of coal that would purchase up to 1 million tons/.year or about 83,000 tons/month which is the targeted production level of the SAS mine.

AA Penton is also in discussions with established mines and mineral companies in India to obtain their technical co-operation so as to improve production techniques and increase the production of the Company's marble and coal mines in a professional manner.

- c) Penton is also setting up a wholly-owned subsidiary in UK to be called Penton International (UK) Ltd or such other name approved by the Authorities with a paid up capital of GBP 100,000 primarily to raise funds from the London market including injection of mining assets into Alternative Investment Markets (AIM) listed companies,

Penton (UK) would be mandated to ensure that the portfolio of Penton is diversified in terms of geographical area and would explore coal deals in Bulgaria and Madagascar, some of whom are currently owned by listed entities in London.

Penton has entered into a joint venture agreement with Rosewell Group Services Ltd, a Mauritius company. Penton shall have 50% of the benefits of certain Coal Mining Licenses in Madagascar which Rosewell has invested in the acquisition costs by sharing the costs on a 50:50 basis including costs incurred to-date of US\$200,000.

5. Experienced Management

To strengthen the Company, Penton has obtained the services of Mr Chandra Mohan based in Hyderabad, India to provide advice on Mining Engineering who have been involved in the various deals.

Er Chandra Mohan, FIE

Chandra Mohan is a graduate in Mining Engineer from Osmania University, Hyderabad. He has rich and varied experience of over 32 years, having had the privilege of working both in underground and opencast mines, conducted Mineral Investigation & Exploration works and has wide experience in Mineral Administration.

In the year 1976, he was selected by the Andhra Pradesh Public Service Commission as an Assistant Director Mines and posted in the office of the Directorate of Mines & Geology, Government of Andhra Pradesh. He was In charge of Mineral Investigation & Exploration. Promoted to Deputy Director and finally retired as Joint Director of Mines & Geology in the year 1999.

During his 23 years of service in the Government. , he had the opportunity to prove and explore various mineral deposits in the State Viz., Coal, Asbestos, Gold, Diamonds, Limestone, Marble, Barytes, Ball Clay, Copper, Manganese, Silica Sand etc.

Presently, Chandra Mohan is Chairman, Institution of Engineers, Andhra Pradesh State Centre. This is an Honorary assignment with 6734 Corporate Members and Non Corporate Members 42, 232 on roll.

6 Application to request for lifting of the suspension of Company's shares

The Board is pleased to state that the Company is solvent, recapitalized with new injection of capital and is in a healthy financial position in terms of the following:

- (i) profitable, albeit minimal profits,
- (ii) having a positive cash flow from operations;
- (iii) having sufficient working capital and
- (iv) having resolved our debt issues fully.

We had at the time of the Circular relied on the marble quarry business establishing a reasonable track record to request the lifting of suspension. However, with the subsequent developments as outlined in this announcement, the Board will request the SGX-ST to request for lifting of suspension of the Company's shares so that Penton shareholders would be given the opportunity to make independent decisions and trade freely on their shares of the Company in the stock market of Singapore. Furthermore, the lifting of suspension of the Company's shares would allow investors who are interested in companies with principal businesses that extracts and deals in natural minerals, especially marble, coal and iron ore, to purchase Penton's shares.

This announcement does not in any way suggest that the SGX-ST would consider the request favourably.