



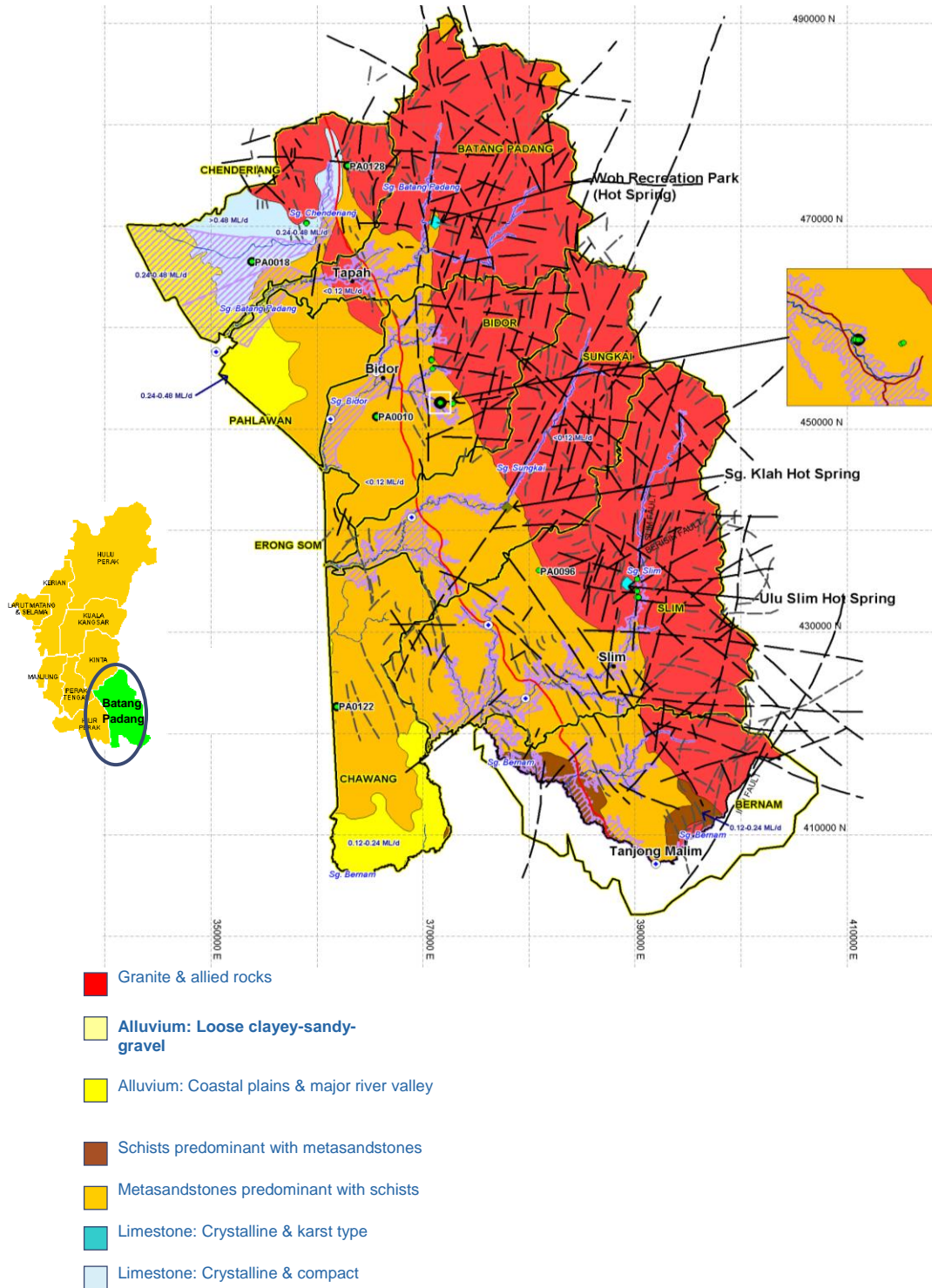
FACTSHEET ON SIME DARBY WATER RESOURCES SDN BHD'S GROUNDWATER PROJECT

Introduction to Groundwater Resources

The Batang Padang district in the State of Perak covers an area of approximately 2,700 Km². The district has high annual rainfalls (2,500 mm – 3,300 mm) and has large areas of relatively undeveloped land, including forest reserves and designated water catchment areas. The area contains significant fracture and fault zones associated with the Main Range Granite in the east of the area and to the metamorphic sediments abutting the granite. These represent regions of fractured rocks containing potentially good quality water, and are the main target areas for the development of groundwater resources.

The advantages of Batang Padang for large scale sustainable groundwater development are as follows:

- Proximity to Selangor
- Greenfield - low risk against pollution
- High recharge rates
- Pristine forest-catchment areas
- No risk of saline intrusion
- Low risk of subsidence
- Low private utilisation of groundwater
- Low population density



Hydrogeological Map of Batang Padang

Groundwater Development Process

The Groundwater Development Process will follow established and sound hydrogeological and engineering practices and will take cognizance of the sensitivity of the natural environment whilst carrying out all necessary works. In this respect, GHD Perunding, an Australian Consulting Engineering Company experienced in groundwater development, has been commissioned to undertake this work.

Status of Development

The groundwater resource is planned to be developed in two stages, initially a 50 Mld supply will be developed by 31st December, 2009. A further 500 Mld supply will be developed a year later, that is, by 31st December, 2010.

50 Mld Groundwater Supply

The investigative phase for the 50 Mld is nearing the end stage. To date 105 wells have been drilled and many have located high yields exceeding 0.8 Mld. The biggest water find is a well producing some 5.5 Mld of water on airlift. Presently the work is focused on reviewing existing ground geophysical results along known water-bearing lineaments with the objective of constructing more production wells.

At the same time a consultant has been appointed for the detailed design of engineering infrastructure for development of the 50 Mld groundwater supply. The same consultant will also provide the environmental services (EMP and environmental monitoring and audit inspection). The infrastructure design team has met and drawn up a preliminary reticulation layout and the treatment plant and the environment team has also commenced work.

500 Mld Groundwater Supply

With the appointment of the consultant DanWater, work on the 500 Mld supply kicked off in October 2008 and is expected to take 6 months. So far four areas have been identified for investigation. Ground geophysical surveys have been carried out in Areas 1 and 3 and to-date 35 lines have been measured and 34 profiles interpreted. Jet drilling has also been carried out in Area 3. Of the 17 sites drilled, 5 has been identified as having high yield potential and 1 site has been selected for the first test well. Meanwhile, data collection for groundwater modelling is on-going and a preliminary model has been developed.

The Pre-feasibility Study was completed in June 2007, and the Feasibility Study is currently on-going. The Development Stage of groundwater resources for Batang Padang District will then proceed based on the conclusions and recommendations of the Feasibility Study.