

General Announcement

Reference No **KG-101203-36596**

Company Name : **KNM GROUP BERHAD**
Stock Name : **KNM**
Date Announced : **03/12/2010**

Type : Reply to query
Reply to Bursa : IJ-101202-41842
Malaysia's Query Letter - Reference ID
Subject : **REPLY TO BURSA SECURITIES' QUERIES DATED 2 DECEMBER 2010 ON SHAREHOLDERS AGREEMENT WITH AVENG (AFRICA) LIMITED**

Contents : In reply to the queries received from Bursa Malaysia Securities Berhad vide its letter dated 2 December 2010 (ref: IJ-101202-41842), the Company wishes to inform that:-

Q1. The breakdown of the total capital and investment outlay in the joint-venture company ("JVCo").

KNM's Reply:

KNM International Sdn Bhd's total projected capital and investment outlay in the JVCo will be as follows:-
Initial Equity : ZAR499 (or RM224.55); and
Investment Outlay : ZAR34.48 million (or RM15.516 million);
(based on the exchange rate of ZAR1.00:RM0.45).

Q2. The source of funds for financing the investment in the JVCo, and the breakdown.

KNM's Reply:

The source of funding for the Investment shall be wholly from internally generated funds.

This announcement is dated 3 December 2010.

Query Letter content : We refer to your Company's announcement dated 1 December 2010, in respect of

the aforesaid matter.

In this connection, kindly furnish Bursa Malaysia Securities Berhad ("Bursa Securities") with the following additional information for public release:-

The breakdown of the total capital and investment outlay in the joint-venture company; and
The source of funds for financing the investment in the joint-venture company, and the breakdown.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully

CHONG FUI TZY
Head, Issuers
Listing Division
Regulation

CFT/IJ
copy to:- General Manager & Head, Market Surveillance,
Securities Commission
(via fax)

Announcement Details :