

CHINA HAIDA LTD.
(Incorporated in Singapore)
(Company Registration No. 200410428C)

**EXTENSION OF OPTION TO PURCHASE PLANT AND EQUIPMENT
FROM JIANGYIN HUAYOU DECORATIVE MATERIALS CO., LTD.**

Background

On 17 August 2004, Jiangyin Litai Decorative Materials Co., Ltd. ("Jiangyin Litai"), the wholly-owned subsidiary of CHINA HAIDA LTD. ("the Company"), entered into a processing agreement ("the Processing Agreement") with Jiangyin Huayou Decorative Materials Co., Ltd ("Jiangyin Huayou") which allows Jiangyin Litai the exclusive use of Jiangyin Huayou's two aluminum composite panels production lines for the manufacture of Jiangyin Litai's Aluminum Composite Panels at an agreed price. In addition, pursuant to the Processing Agreement, Jiangyin Litai has been granted a first right of refusal to purchase the two aluminum composite panels production lines of Jiangyin Huayou for the manufacture of the Aluminum Composite Panels ("the Huayou Option"). Further details can be found in our Prospectus dated 8 November 2004.

The Huayou Option is expiring on 31 December 2006.

Update

The Board of Directors of the Company is now pleased to announce that Jiangyin Litai has successfully extended the Huayou Option to 31 December 2007. All other terms of the Processing Agreement remain unchanged.

By Order of the Board

Guo Yun
Executive Director
28 December 2006