

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

PLACEMENT OF 25 MILLION NEW ORDINARY SHARES IN THE CAPITAL OF CHINA HAIDA LTD. (THE "PLACEMENT")

On 4 October 2007, China Haida Ltd. (the "**Company**") announced that the Company had entered into a placement agreement (the "**Placement Agreement**") on 4 October 2007 with Westcomb Securities Pte Ltd (the "**Placement Agent**") pursuant to which the Placement Agent has agreed, on a best endeavours basis, to procure subscription of up to 25 million new ordinary shares ("**Shares**") in the Company (the "**Placement Shares**"), at a placement price of S\$0.282 for each Placement Share.

The Placement is conditional, *inter alia*, upon approval being granted by the Singapore Exchange Securities Trading Limited for the listing of and quotation for the New Shares on the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") being obtained by not later than eight (8) weeks from the date of the Placement Agreement.

The Board of Directors of the Company is pleased to announce that the SGX-ST has on 15 October 2007 granted its in-principle approval for the listing and quotation of the Placement Shares on the Official List of the Singapore Exchange Securities Trading Limited. The in-principle approval from the SGX-ST is not an indication of the merits of the Placement Shares, the Company or its subsidiary and is subject to the following:

- a) compliance with the SGX-ST's listing requirements and guidelines;
- b) a valid share issue mandate being available and sufficient for the Placement;
- c) receipt of the confirmation of the Company that:
 - i. none of the Placement Shares will be issued to transfer a controlling interest without the prior approval of the shareholders of the Company in a general meeting;
 - ii. the use of the Placement proceeds will be announced periodically as and when the funds of the Placement are materially disbursed;
 - iii. it will provide a status report on the use of the Placement proceeds in the Company's annual report; and
- d) the Placement Shares being placed out within 7 market days from 15 October 2007.

In relation to sub-paragraph b) above, the Placement Shares will be issued by the Company pursuant to the share issue mandate obtained at the annual general meeting of the Company held on 26 April 2007.

A further announcement will be made by the Company upon completion of the Placement.

By Order of the Board
China Haida Ltd.

Submitted by Guo Yun on 15 October 2007