

**FEDERAL INTERNATIONAL (2000) LTD**

(Incorporated in Singapore)

*Company Registration No. 199907113K*

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**TERMINATION OF OPTION UNDER OPTION AGREEMENT OF 30 APRIL 2007**

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Further to the announcement on 3 May 2007, the Directors of Federal International (2000) Limited (the "**Company**") would like to announce that Asia Pacific Links Limited ("**APLL**") has issued a notice to terminate the option (the "**Option**") granted to the wholly-owned subsidiary of the Company, Federal Energi Pte Ltd ("**FEPL**") under the Option Agreement dated 30 April 2007 between APLL and FEPL to subscribe for shares of APLL.

Under the Agreement, APLL had intended to procure the acquisition of equity interests in:

- (i) a Swiss mining company with rights to a gold mine in West Africa; and
- (ii) a company with interests in a precious metal and copper mine in Indonesia,

(collectively, the "**Proposed Acquisitions**").

APLL has been unable to proceed with or complete the Proposed Acquisitions as a result of, inter alia, unsuccessful negotiations.

Under the terms of the Agreement, APLL will refund FEPL the amount of S\$10 million which FEPL had paid to APLL in return for the grant of the Option and compensate FEPL an agreed amount of S\$3 million for terminating the Option.

APLL will pay FEPL the aforesaid payments on or before 18 September 2007.

By Order of the Board

Chng Geok  
Director/Company Secretary

4 September 2007