

General Announcement

Reference No **KG-081202-90B0D**

Company Name : **KNM GROUP BERHAD**
Stock Name : **KNM**
Date Announced : **02/12/2008**

Type : **Announcement**
Subject : **Proposed acquisition of 100% interest in Ellimetal N.V. Belgium (Proposed Acquisition)**
Contents : **Further to the Company's announcements on 9 January 2008 and 2 December 2008, with regard to the mutual termination of the Proposed Acquisition, the Board of Directors of the Company wishes to inform that due to the non-fulfillment of certain conditions precedent, the parties have inter alia, mutually agreed not to proceed with the Proposed Acquisition pursuant to the Mutual Termination Agreement dated 1 December 2008.**

However, the parties have expressed their intention to enter into a commercial cooperation as regards engineering, construction and/or delivery of aluminium silos within certain territories and the parties shall endeavour to negotiate in good faith the terms and conditions of such possible cooperation.

This announcement is dated 2 December 2008.