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8 July, 2010

Dear Shareholders,

RE: eDividend (Electronic Dividend) service

We are pleased to inform you that Kim Loong Resources Berhad (“the Company”) will be providing eDividend to shareholders to be implemented in the third quarter of 2010. The eDividend refers to the payment of cash dividends by a listed issuer directly into the shareholders’ bank accounts. One of the main objectives of implementing eDividend is to promote greater efficiency of the payment system which is aligned to the national agenda of migrating to electronic payment.

1. Benefits of eDividend

- 1.1 eDividend extends to all companies listed on Bursa Malaysia Securities Berhad (“listed issuers”) and provides, amongst others, faster access to your cash dividends, eliminates the inconvenience of having to deposit the dividend cheques and problems such as misplaced, lost or expired cheques, and unauthorised deposit of dividend cheques.
- 1.2 When you register for eDividend, you will enjoy the following additional benefits:
 - (a) the convenience of a one-off registration for entitlement to eDividend from all listed issuers; and
 - (b) the option to consolidate the dividends from all your Central Depository System (“CDS”) accounts into one bank account for better account management.

2. Registration for eDividend

- 2.1 Registration for eDividend has commenced on 19th April, 2010 for a period of 1 year until 18th April, 2011, at no cost to the shareholders. If you register after the 1 year period, an administrative charge will be imposed.

To register for eDividend, you are required to provide to Bursa Malaysia Depository Sdn. Bhd. (“Bursa Depository”) through your stockbroker, your bank account number and other information by completing the prescribed form. This form can be obtained from your stockbroker’s office where your CDS account is maintained, or downloaded from Bursa Malaysia’s website at <http://www.bursamalaysia.com>.

- 2.2 You need to submit to your stockbroker’s office where your CDS account is maintained, the duly completed prescribed form and the following for registration:-
 - (a) Individual depositor: Copy of identification documents i.e. NRIC, Passport, Authority Card or other acceptable identification documents. Original documents must be produced for your stockbroker’s verification;

Corporate depositor: Certified true copy of the Certificate of Incorporation/Certificate of Registration; and
 - (b) Copy of your bank statement / bank savings book/ details of your bank account obtained from your banks website that has been certified by your bank/ copy of letter from your bank confirming your bank account particulars. For individuals, original documents must be produced for your stockbroker’s verification. For corporate entities, a certified true copy is to be submitted.

If the CDS account is held in the name of a nominee, the nominee will register for the eDividend.

- 2.3 If you are not able to be present at your stockbroker's office to submit the prescribed form and supporting documents, please ensure that the signing of the prescribed form and the supporting documents have been witnessed by an acceptable witness specified by Bursa Depository. In this regard, an acceptable witness includes an Authorised Officer of your stockbroker, a Dealer's Representative, a notary public and an Authorised Officer of the Malaysian Embassy/High Commission.

3. Notification of eDividend payment after registration

- 3.1 You are encouraged to provide in the prescribed form to Bursa Depository both your mobile phone number and e-mail address, if any. This is to enable the Company to issue electronic notification to you either via e-mail or sms, at the discretion of the Company, once the Company has paid the cash dividend out of its account. Please note that if you provide only your mobile phone number, you may only be notified of the cash dividend payment when you receive your dividend warrant or tax certificate.

4. Additional information for shareholders

- 4.1 Your savings or current account, must be an active bank account, maintained with a local bank under your name or in the case of a joint account, has your name as one of the account holders. It must also be a bank account with a financial institution that is a member of the Malaysian Electronic Payment System Inter-Bank GIRO (IBG).
- 4.2 Your bank account particulars and other related information is protected under the Securities Industry (Central Depositories) Act, 1991 which strictly prohibits the disclosure of such information to any person unless you expressly authorise the disclosure in writing. For eDividend purposes, you will be authorising disclosure of your bank account particulars and other related information to persons necessary to facilitate the eDividend such as the Company, the share registrar and the appointed paying banks.
- 4.3 Once you have registered for eDividend, any cash dividend entitlement of which the books closure date is announced by the Company on or after 1st September, 2010, shall be paid to you via eDividend.

We look forward to a successful implementation of eDividend through your active participation, and to serving you better as our valued shareholders. If you have any query relating to the eDividend service, please do not hesitate to contact our share registrars, Tacs Corporate Services Sdn. Bhd., at 03-7118 2688.

Thank you.

Yours faithfully,
KIM LOONG RESOURCES BERHAD

Gooi Seong Lim
Executive Chairman