

SAMKO TIMBER LTD

Company Registration No. 200517815M
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT TO PROVIDE AN UPDATE ON THE INVESTIGATION PROCESS INVOLVING PT SUMALINDO LESTARI JAYA Tbk, AN ASSOCIATED COMPANY OF THE GROUP (“Sumalindo”).

The Board of Directors (the “**Board**”) of Samko Timber Ltd (“**Company**”) refers to its announcement dated June 23, 2010 with regards to the allegation of illegal logging issue involving PT Sumalindo Lestari Jaya Tbk, an associated company of the Group (“Sumalindo”). The Board hereby would like to announce that in connection with the on-going investigations, the East Kalimantan Police had ordered the detention on two directors of Sumalindo (Mr. Amir Sunarko (who is also an executive director of the Company) and one other executive director of Sumalindo).

The Company will make such further announcement(s) as and when there are material developments with regard to this matter.

By Order of the Board

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer
August 18, 2010