

**PRESTAR RESOURCES BHD**

(Company No. 123066 - A)

(Incorporated in Malaysia)

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Fifth Annual General Meeting of Prestar Resources Bhd will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 22 June 2010 at 10.00 a.m. for the following purposes:-

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**AGENDA**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2009 together with the Reports of the Directors and the Auditors thereon.
2. To approve the declaration of the Final Tax Exempt Dividend of 3.0% (1.5 sen per share) for the financial year ended 31 December 2009. (Resolution 1)
3. To sanction the payment of Directors' Fees for the financial year ended 31 December 2009. (Resolution 2)
4. To re-elect the following Directors who retire pursuant to Article 105 of the Company's Articles of Association, and being eligible, have offered themselves for re-election:-
  - (a) Dato' Toh Yew Peng (Resolution 3)
  - (b) Tuan Haji Fadzlullah Shuhaimi Bin Salleh (Resolution 4)
  - (c) Mr. Lim Cheang Nyok (Resolution 5)
5. To re-elect the Director, Mr. Toh Yew Chin, who retire pursuant to Article 112 of the Company's Articles of Association, and being eligible, has offered himself for re-election. (Resolution 6)
6. To re-appoint Messrs. BDO Binder as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. (Resolution 7)
7. As Special Business :

To consider and, if thought fit, with or without any modification, to pass the following resolutions which will be proposed as ordinary and special resolutions:-

**ORDINARY RESOLUTION NO. 1**

**- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

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"**THAT** subject to Section 132D of the Companies Act, 1965 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; **AND THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company." (Resolution 8)

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8. **ORDINARY RESOLUTION NO. 2**

**- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

"THAT, subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM0.50 each in the Company's issued and paid-up share capital through Bursa Securities subject further to the following:-

1. the maximum number of ordinary shares of RM0.50 each in Prestar ("Shares") which may be purchased and/or held by the Company shall be equivalent to ten per centum (10%) of the issued and paid-up share capital for the time being of the Company;
2. the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained profits or the share premium of the Company based on the audited financial statements for the financial year ended 31 December 2009 of RM13,217,380.00 and RM1,686,905.00 respectively;
3. the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
  - (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and

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4. upon completion of the purchase(s) of the Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the Shares in the following manner:-

- (i) cancel the Shares so purchased; or
- (ii) retain the Shares so purchased as treasury shares; or
- (iii) retain part of the Shares so purchased as treasury shares and cancel the remainder;

the treasury shares of which may be distributed as dividends to shareholders, and/or resold on Bursa Securities, and/or subsequently cancelled;

and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force,

**AND THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares." (Resolution 9)

9. **ORDINARY RESOLUTION NO. 3**

**- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH WEI GIAP HARDWARE SDN. BHD., CHIHO HARDWARE SDN. BHD., Y.K. TOH MARKETING (S) PTE. LTD., WEI SHENG HARDWARE SDN. BHD., SYARIKAT KWONG NAM HING SDN. BHD., LOGAM INDAH SDN. BHD., Y.K. TOH (M) SDN. BHD. AND DIAGER SG PTE. LTD.**

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"**THAT**, subject to the Companies Act, 1965 ("the Act"), the Memorandum and Articles of Association of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company's subsidiaries to enter into the Recurrent Related Party Transactions with Wei Giap Hardware Sdn. Bhd., Chiho Hardware Sdn. Bhd., Y.K. Toh Marketing (S) Pte. Ltd., Wei Sheng Hardware Sdn. Bhd., Syarikat Kwong Nam Hing Sdn. Bhd., Logam Indah Sdn. Bhd., Y.K. Toh (M) Sdn. Bhd. and Diager SG Pte. Ltd., as described in Section 2.2 of the Circular to Shareholders dated 31 May 2010 subject further to the following:-

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- (i) the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public; and
- (ii) disclosure is made in the annual report breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall, commence immediately upon the passing of this ordinary resolution and continue to be in force until:-
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
  - (b) the expiration of the period within which the next AGM of the Company after that date it is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
  - (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier,

**AND THAT** the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution." (Resolution 10)

**10. ORDINARY RESOLUTION NO. 4**

**- PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH Y.K. TOH (M) SDN. BHD.**

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"**THAT**, subject to the Companies Act, 1965 ("the Act"), the Memorandum and Articles of Association of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company's subsidiary to enter into the Recurrent Related Party Transactions with Y.K. Toh (M) Sdn. Bhd., as described in Section 2.2 of the Circular to Shareholders dated 31 May 2010 subject further to the following:-

- (i) the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public; and
- (ii) disclosure is made in the annual report breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall, commence immediately upon the passing of this ordinary resolution and continue to be in force until:-

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- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date it is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier,

**AND THAT** the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution." (Resolution 11)

11. **SPECIAL RESOLUTION**  
**- PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

"**THAT** the alteration, modifications, deletions and/or additions to the Articles of Association of the Company as set out in Appendix II of Part C of the Circular to Shareholders dated 31 May 2010 be and are hereby approved,

**AND THAT** the Directors of the Company be and are hereby authorised to assent to any condition, modification, variation and/or amendment as may be required by Bursa Malaysia Securities Berhad,

**AND THAT** the Directors and Secretaries of the Company be and are hereby authorised to carry out all the necessary formalities in effecting the amendments as set out in Appendix II of Part C of the Circular to Shareholders." (Resolution 12)

12. To transact any other ordinary business for which due notice has been given.

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**NOTICE OF DIVIDEND ENTITLEMENTS**

**NOTICE IS HEREBY GIVEN THAT** the Final Tax Exempt Dividend of 3.0% (1.5 sen per share) will be payable on 18 August 2010 to depositors who are registered in the Record of Depositors at the close of business on 27 July 2010, if approved by members at the forthcoming Twenty-Fifth Annual General Meeting.

A Depositor shall qualify for entitlement only in respect of:-

- (a) Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 27 July 2010 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

**BY ORDER OF THE BOARD**

CHUA SIEW CHUAN (MAICSA 0777689)

CHIN MUN YEE (MAICSA 7019243)

Secretaries

Kuala Lumpur

Dated: 31 May 2010

Explanatory Note to Special Business:

1. Authority pursuant to Section 132D of the Companies Act, 1965

The proposed adoption of the Ordinary Resolution No. 1 is for the purpose of granting a renewed general Mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Twenty-Fourth Annual General Meeting held on 11 June 2009 and which will lapse at the conclusion of the Twenty-Fifth Annual General Meeting.

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2. Authority to renew the purchase of the Company's own shares  
The proposed adoption of the Ordinary Resolution No. 2 is to renew the authority granted by the shareholders of the Company at the Twenty-Fourth Annual General Meeting held on 11 June 2009. The proposed renewal will allow the Board of Directors to exercise the power of the Company to purchase not more than 10% of the issued and paid-up share capital of the Company at any time within the time period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.
3. Authority to renew the shareholders' mandate for recurrent related party transactions of a revenue or trading nature  
The proposed adoption of the Ordinary Resolution No. 3 is to renew the Shareholders' Mandate granted by the shareholders of the Company at the Twenty-Fourth Annual General Meeting held on 11 June 2009. The proposed renewal of the Shareholders' Mandate will enable the Group to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the Group day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.
4. Authority to enter into the new shareholders' mandate for recurrent related party transactions of a revenue or trading nature  
The proposed adoption of the Ordinary Resolution No. 4 is to enable the Group to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the Group day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.
5. Proposed Amendments to the Articles of Association  
The proposed adoption of the Special Resolution is to provide for the payment of dividend, interest or other money payable in cash, directly into the shareholders' account opened and maintained with a financial institution in Malaysia by way of electronic transfer.

Further information on the Proposed Renewal of Share Buy-Back Authority, Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions, Proposed New Shareholders' Mandate for Recurrent Related Party Transactions and Proposed Amendments to the Articles of Association are set out in the Circular to Shareholders of the Company which is despatched together with the Company's 2009 Annual Report.

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Notes:

1. For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 67B of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 15 June 2010. Only a depositor whose name appears on the Record of Depositors as at 15 June 2010 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a member of the Company and a member may appoint not more than two (2) proxies to attend and vote instead of him and the provisions of Sections 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or a certified copy thereof shall be deposited at the Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.