

12. VALUERS' REPORT
(Prepared for inclusion in this Prospectus)

C H Williams Talhar & Wong



C H Williams Talhar & Wong Sdn Bhd (18149 U)
Jurukukur Berkanun Perunding Harta Antarabangsa
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The Board of Directors
QL Resources Berhad
5 Lorong Bukit Kuda
Off Jalan Batu Tiga Lama
41300 Klang
Selangor Darul Ehsan

31 January 2000

Dear Sirs

QL RESOURCES BERHAD ("QL")

⇒ PROSPECTUS IN RELATION TO THE PUBLIC ISSUE OF 6,160,000 NEW ORDINARY SHARES OF RM1.00 EACH AND THE OFFER FOR SALE OF 1,433,000 ORDINARY SHARES OF RM1.00 EACH AT AN ISSUE/ OFFER PRICE OF RM2.50 PER ORDINARY SHARE

⇒ VALUATION OF LANDED PROPERTIES BELONGING TO QL AND ITS SUBSIDIARIES ("LANDED PROPERTIES")

Mohd Talhar A Rahman
FRICS, FISM

John S C Loh, FRC
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Goh Tian Sui
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B.Sc., FRICS, MISM

Chong Pah Aug
B.Sc., FRICS, FISM

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B.Sc., FRICS, FISM

Md Baharuddin Mustafa
B.Sc., MISM

Danny Yeo Soon Kee
Assoc. Dip in Val, MISM

Foo Gee Jen
B.Sc., MISM

Wan Nordin Wan Salleh
Dip. in Val, MISM

This certificate has been prepared for inclusion in the Prospectus to be dated 11 February 2000 in connection with the Public Issue of 6,160,000 new ordinary shares of RM1.00 each and the offer for sale of 1,433,000 ordinary shares of RM1.00 each at an issue/offer price of RM2.50 per ordinary share in QL.

In accordance with your instructions, we have assessed the Market Values of the landed properties set out below in conjunction with the restructuring and listing of QL on the Second Board of the Kuala Lumpur Stock Exchange. We have valued the Landed Properties vide our valuation reports bearing the reference numbers in the tables set out below. Further details of the valuations of the Landed Properties are set out in our valuation reports.

Our valuations are based on the Guidelines on Asset Valuation for Submission to the Securities Commission and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

In our opinion, the Market Values of the Landed Properties, subject to the properties being free from all encumbrances, are as follows:

Kuala Lumpur Petaling Jaya Penang Johor Bahru Kuantan Malacca Ipoh Alor Setar Butterworth Kota Bharu Batu Pahat Kuala Terengganu Seremban Kota Kinabalu Sandakan Tawau Lahad Datu Labuan Kuching Sibul Miri Bintulu Brunei

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(a) *Properties held for owner occupation*

Particulars of property	Valuation Report Reference Number	Interest of QL/tenure/ date of expiry of lease	Method of valuation	Description/ existing use	Land area/ built-up area	Market value/ valuation date (RM'000)
Lot Nos 275 and TLO 117 held under Geran Mukim 237 and HS(D) 506, Padang Endau/Endau, Mersing (No. 11, Jalan Merlimau, 86900 Endau, Johor)	DY/WTW/ JB /408/98(1)/M R	<u>Lot:275</u> Freehold <u>Lot: TLO 117</u> Leasehold- expiring 28.2.2036	Comparison Method & Cost Method	Fishmeal factory	<u>Lot No:275</u> 1.6212 ha <u>TLO 117</u> 0.1626 ha Gross up area: 4,555.48 square metres	2,455/ 15.12.98
Lots 148 & 9119 held under GM 1264 and GM 2111 Mukim Hutan Melintang, Hilir Perak, Perak (147, Jalan Tepi Sungai, Hutan Melintang) (Factory building only)	V/HM/148/2/ 98/AS	Freehold	Depreciated replacement cost method	Surimi and surimi based products factory	Gross built-up area of 2,804.17 square metres	1,780/ 15.12.98
Lots 148 & 9119 held under GM 1264 and GM 2111, Mukim Hutan Melintang, Hilir Perak, Perak (147, Jalan Tepi Sungai, Hutan Melintang) (Land and Factory only owned by Sun Chip Huat)	V/HM/148/2/ 98/AS	Freehold	<u>Land</u> Comparison method <u>Building</u> Depreciated replacement costs basis	Fishmeal factory and factory site	1.3181ha Built up area: 2,628 square metres	1,530/ 15.12.98
Lot 9120 & 9121 held under GM 2112 & GM 2113, Mukim Hutan Melintang, Hilir Perak, Perak (147, Jalan Tepi Sungai, Hutan Melintang) (Factory building only)	V/HM/148/2/ 98/AS	Freehold	Land: Comparison method Building: Depreciated replacement cost method	Warehouse	1,422 ha Gross Built up area: 1,025.65 square metres	930/ 15.12.1998

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Particulars of property	Valuation Report Reference Number	Interest of QL/tenure/ date of expiry of lease	Method of valuation	Description/ existing use	Land area/ built-up area	Market value/ valuation date (RM'000)
Lot 3397 held under GM 2437, Mukim Hutan Melintang, Hilir Perak, Perak (147, Jalan Tepi Sungai, Hutan Melintang)	V/HM/148/2/98/AS	Freehold	Comparison method	Vacant industrial land/not in use	0.837 ha	340/ 15.12.1998
Lot 5275 held under Geran 5693 Mukim Hutan Melintang, Hilir Perak, Perak (Jalan Simpang Empat-Sabak Bernam, Hutan Melintang)	V/HM/5275/2/98/ARI	Freehold	Comparison Method	Agricultural land - planted with oil palm	8.369 ha	930/ 15.12.98
PT 22264 & PT 22265, held under HS(M) 16168 and HS(M) 16169 Mukim of Kapar, Klang, Selangor (Nos 5 & 7, Lorong Bukit Kuda, Off Jalan Batu Tiga Lama, Klang, Selangor)	PJ/164/97/217/98/ZAI	Freehold	Comparison Method & Investment Method	2 adjoining units of 4 storey shophouses	296 sq metres Gross Built up area: 1,183 square metres	1,700/ 15.12.98
NT 013052581, Kota Kinabalu, Sabah	WTWS/SC/AI/013/3163	Freehold	Comparison Method (for land) Depreciated Replacement Cost Method (for building)	Industrial land with 2 warehouses cum office and factory	1.03 ha Built up area: 4,946 sq metres	4,193/ 15.12.98
CL 025093207 & NT 023078140, Papar, Sabah	WTWS/SC/ PKA/02/212 0a	QL 025093207 Leasehold/ 17.6.2937 NT 023078140 Leasehold/ 31.12.2093	Comparison Method and Nett Current Replacement Cost Method (for buildings)	Layer farm	7.280 ha	2,172/ 15.12.98

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Particulars of property	Valuation Report Reference Number	Interest of QL/tenure/ date of expiry of lease	Method of valuation	Description/ existing use	Land area/ built-up area	Market value/ valuation date (RM'000)
CL 105355977, KM58, alongside Tawau-Kunak highway, Tawau, Sabah	TWS/SC/10 3/503/a	Leasehold/ 31.12.2076	Comparison Method and Cost Method	Agricultural land planted with oil palm with a crude and palm oil mill together with other buildings & improvements	81.06 ha	13,364/ 15.12.98
CL 115327396, CL 115327403 and CL 115332520, District of Lahad Datu Sabah	WTWS/SC/2 4/221/b	Leasehold/ 31.12.2069	Comparison Method and Cost Method	Oil palm cultivation	161.889 ha	3,200/ 15.12.98
CL 105244406, CL 105244317, CL 105244380 and CL 105244335, KM8½, Apas Road, Tawau Sabah	WTWS/CIC/ 102/340/C	Leasehold/ 24.10.2916	Comparison Method	Vacant residential land rezoned for light industrial warehouse purpose	2.527 ha	1,840/ 15.12.98
CL 105164618, KM5, Jalan Air Panas Tawau /Sabah	WTWS/CIC/ 104/967/a	Leasehold / 11.8.2915	Comparison Method	Residential land rezoned for light industrial purpose	1.736 ha	1,330/ 15.12.98
CL 105242028, CL 105241996, CL 105241950, CL 105451572, KM21, Apas Parit locality, Tawau, Sabah	WTWS/SC/1 03/264/b	Leasehold/ <u>CL</u> <u>105242028</u> 12.7.2933 <u>CL1052419</u> <u>96</u> 29.7.2933 <u>CL</u> <u>105241950</u> 21.5.2925 <u>CL</u> <u>105451572</u> 31.12.2057	Comparison Method and Replacement Cost Method	A layer farm is situated on all the parcels of land	13.668 ha	4,186/ 15.12.98

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CL 105345346, CL 105345355, CL 105345337, CL 105345328, CL 105345300, CL 105345319, Kawa Hill locality, Tawau, Sabah	WTWS/SC/10 3/242/c	Leasehold/ <u>CL105345346</u> <u>CL105345355</u> <u>CL105345337</u> 31.12.2073 <u>CL105345328</u> <u>CL105345300</u> <u>CL1053455431</u> 9.31.12.2072	Comparison Method and Cost Method	Agricultural lands planted with cocoa	36.20 ha	760/ 15.12.98
Serian Lease of Crown Land No.2292, No.4387, No.6203, No. 6261, No. 8710, No. 9864, No 9920, Sawarak, Kuching Occupation Ticket No 11002, & Lot 665 Block 14, Sentah Segu Land District, Sarawak	WTWY/V/KC H/24377/98/A C/tct	Leasehold/ <u>No. 2292</u> 17.4.2011 <u>No. 4387</u> 21.2.2012 <u>No.6203</u> 9.9.2012 <u>No. 6261</u> 31.12.2008 <u>No. 8710</u> 31.12.2040 <u>No. 9864</u> 31.12.2031 <u>No.9920</u> 13.11.2015 <u>No. 11002</u> 31.12.2034 <u>Lot 665</u> 31.12.2031	Comparison Method	Layer farm Mixed Zone Land, <u>No. 2292</u> Country land <u>No. 4387</u> Country land <u>No.6203</u> Country land <u>No. 6261</u> Country land <u>No. 8710</u> Suburban land <u>No. 9864</u> Country land <u>No. 9920</u> Suburban land <u>No. 11002</u> Country land <u>Lot 665</u> Country land	18.6578 ha <u>No. 2292</u> 2.4810 ha <u>No. 4387</u> 2.2740 ha <u>No. 6203</u> 0.9308 ha <u>No. 6261</u> 1.7160 ha <u>No. 8710</u> 2.4320 ha <u>No. 9864</u> 2.4280 ha <u>No. 9920</u> 2.9870 ha <u>No. 11002</u> 1.4370 ha <u>Lot 665</u> 1.9720 ha	1,736/ 15.12.98
CL 025311835 and PL 026184663, situated at Kg Kelatuan, Jalan Bukit Manggis, District of Papar, Sabah	WTWS/SC/P KA/02/2689	<u>CL 025311835</u> 31.12.2051 <u>PL 026184663</u> 31.12.2057	Comparison and Cost Method	Agricultural land planted with oil palm	<u>CL</u> 025311835 7.91 ha <u>PL</u> 026184663 9.49 ha	817/ 21.6.99

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(b) *Properties held for investment and for future development*

Particulars of property	Valuation Report Reference Number	Interest of QL/tenure/ date of expiry of lease	Method of valuation	Description/ existing use	Land area/ built-up area	Market value/ valuation date (RM'000)
Lot 1646 GM 351, Mukim Padang Endau, Mersing, Johor	DY/WTW/JB/408/98(2)/MR	Lot: 1646; Freehold	Comparison Method & Investment Method	Vacant agricultural land	0.3099 ha	80/ 15.12.98
Lot 5189 held under Geran 9406, Mukim of Kuala Kuantan, Kuantan, Pahang	WTW/KTN/78 32(2)	Freehold	Comparison Method	Vacant agricultural land	5.491 ha	180/ 15.12.98
PT 11542 held under HS(D) 13016, Mukim of Kapar Klang, Selangor (No 27, Jalan 5, Kawasan 16, Taman Intan, Selangor)	PJ/163/97/21 6/98/ZAI	Freehold	Comparison Method and Investment Method	Corner unit 3 storey shophouse	178.18 square metres Gross Built up area: 518.21 square metres	535/ 15.12.98
Developer's Lot No.59, Section 12, Phase 1B, Pulau Indah Industrial Park, Pulau Indah, Mukim of Klang, Klang, Selangor	PJ/166/97/21 4/98/ZAI	Leasehold (No individual title yet)	Comparison Method	Vacant industrial land	1.1 acres	670/ 15.12.98
Developer's Lot No.58, Section 12, Phase 1B, Pulau Indah Industrial Park, Pulau Indah, Mukim Klang, District of Klang, Selangor	PJ/165/97/21 3/98/ZAI	Leasehold (No individual title yet)	Comparison Method	Vacant industrial land	1.48 acres	900/ 15.12.98

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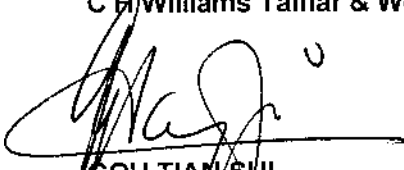
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(b) *Properties held for investment and for future development (Cont'd)*

Particulars of property	Valuation Report Reference Number	Interest of QL/tenure/ date of expiry of lease	Method of valuation	Description/ existing use	Land area/ built-up area	Market value/ valuation date (RM'000)
Lot 24,25 and 26, West Coast Furniture Association Site, Off Jalan Sepangar Bay, District of Kota Kinabalu	WTWS/SC/V Y/013/2776A	Leasehold: Date of expiry of lease not available as individual titles not issued yet	Comparison method	Vacant Industrial Land	Land area: 8,607.79 sq metres	620/ 15.12.98

Yours faithfully
for and on behalf of
C H Williams Talhar & Wong Sdn Bhd


GOH TIAN SUI
BSc FRICS FISM
Registered Valuer (V-147)