

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to take, you should consult your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



THREE-A RESOURCES BERHAD

(Company No. 481559-M)
(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED PRIVATE PLACEMENT OF 61,600,000 NEW ORDINARY SHARES OF RM0.20 EACH IN THREE-A RESOURCES BERHAD ("3A"), REPRESENTING UP TO 20% OF THE TOTAL ISSUED AND PAID-UP SHARE CAPITAL OF 3A ("PROPOSED PRIVATE PLACEMENT")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

OSK

OSK Investment Bank Berhad (14152-V)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("EGM") of Three-A Resources Berhad ("3A" or the "Company"), which has been scheduled to be held at Ballroom 1, Level 1, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 3 November 2009 at 11:00 a.m. or any adjournment thereof, together with the Form of Proxy are enclosed herein.

You are entitled to attend and vote at the EGM or to appoint a proxy to vote for and on your behalf. In such event, the Form of Proxy should be lodged at the Registered Office at AL 308, Lot 590 & Lot 4196, Jalan Industri, U 19, Kampung Baru Seri Sungai Buloh, 47000 Selangor Darul Ehsan, Malaysia, on or before the date and time indicated below. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy: Sunday, 1 November 2009 at 11:00 a.m.

Date and time of the EGM: Tuesday, 3 November 2009 at 11:00 a.m.

This Circular is dated 19 October 2009

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"3A" or "Company"	:	Three-A Resources Berhad (481559-M)
"3A Group" or "Group"	:	3A and its subsidiary companies
"Act"	:	The Companies Act, 1965
"Board"	:	The Board of Directors of 3A
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"Circular"	:	This circular to the shareholders of 3A dated 19 October 2009
"EGM"	:	Extraordinary General Meeting
"EPS"	:	Earnings per share
"FYE"	:	Financial year ended/ending
"Interested Person(s)"	:	Director, major shareholder or chief executive officer of 3A or a holding company of 3A
"Investor" or "Wilmar"	:	Wilmar International Limited (Company registration No. 199904785Z)
"Listing Requirements"	:	The Main Market Listing Requirements of Bursa Securities
"LPD"	:	8 October 2009, being the latest practicable date prior to the issuance of this Circular
"OSK" or "Adviser"	:	OSK Investment Bank Berhad (14152-V)
"Placement Shares"	:	61,600,000 3A Shares
"Proposed Private Placement"	:	Proposed private placement of 61,600,000 new ordinary shares of RM0.20 each in 3A
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"Share(s)" or "3A Share(s)"	:	Ordinary share(s) of RM0.20 each in 3A
"USD"	:	United States Dollar
"WAMP"	:	Weighted average market price

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

TABLE OF CONTENTS

LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED PRIVATE PLACEMENT CONTAINING:-

	PAGE
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED PRIVATE PLACEMENT	2
3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED PRIVATE PLACEMENT	4
4. OUTLOOK AND PROSPECTS	4
5. EFFECTS OF THE PROPOSED PRIVATE PLACEMENT	6
6. IMPLICATION OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 1998 ("CODE")	8
7. APPROVALS REQUIRED FOR THE PROPOSED PRIVATE PLACEMENT	8
8. ESTIMATED TIME FRAME FOR COMPLETION	8
9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED	9
10. CORPORATE EXERCISE/SCHEME ANNOUNCED BUT NOT YET COMPLETED	9
11. DIRECTORS' RECOMMENDATION	9
12. EXTRAORDINARY GENERAL MEETING	9
13. FURTHER INFORMATION	9
APPENDIX	
I FURTHER INFORMATION	10
NOTICE OF EGM	ENCLOSED
FORM OF PROXY	ENCLOSED



THREE-A RESOURCES BERHAD
(Company No. 481559-M)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

AL 308, Lot 590 & Lot 4196
Jalan Industri, U 19
Kampung Baru Seri Sungai Buloh
47000 Selangor Darul Ehsan
Malaysia

19 October 2009

Directors:-

Dato' Mohd Nor Bin Abdul Wahid (*Non-Independent Executive Chairman*)
Fang Chew Ham (*Deputy Executive Chairman & Managing Director*)
Fong Chu King @ Tong Chu King (*Non-Independent Executive Director*)
Foong Chiew Fatt (*Non-Independent Executive Director*)
Fong Chiew Hean (*Non-Independent Non-Executive Director*)
Chew Eng Chai (*Independent Non-Executive Director*)
Tan Chon Sing @ Tan Kim Tieng (*Independent Non-Executive Director*)
Fang Siew Yee (*Non-Independent Executive Director*)
Liew Kuo Shin (*Non-Independent Executive Director*)
Fang Siew Ping (*Non-Independent Executive Director*)
Khoo Wee Boon (*Independent Non-Executive Director*)
Mohd Zaki Bin Hamzah (*Independent Non-Executive Director*)

To: The Shareholders of Three-A Resources Berhad

Dear Sir/Madam,

PROPOSED PRIVATE PLACEMENT OF 61,600,000 NEW ORDINARY SHARES OF RM0.20 EACH IN 3A, REPRESENTING UP TO 20% OF THE TOTAL ISSUED AND PAID-UP SHARE CAPITAL OF 3A

1. INTRODUCTION

On 5 October 2009, OSK had, on behalf of the Board announced to Bursa Securities that 3A proposed to implement a private placement of up to 20% of the total issued and paid-up share capital of 3A.

The purpose of this Circular is to provide the shareholders of 3A with the relevant information on the Proposed Private Placement, to set out our Board's recommendation and to seek shareholders approval for the ordinary resolution pertaining to the Proposed Private Placement to be tabled at the forthcoming EGM. The Notice of the EGM together with the Form of Proxy are enclosed in this Circular.

SHAREHOLDERS OF 3A ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED PRIVATE PLACEMENT TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

The Proposed Private Placement will entail the issuance of 61,600,000 new 3A Shares, representing up to 20% of the current issued and paid-up share capital of the Company.

As at LPD, the issued and paid-up share capital of the Company is RM61,600,003 comprising 308,000,019 3A Shares.

2.1 Basis of arriving at the issue price of the Placement Shares

The Placement Shares are proposed to be placed out at an issue price of RM0.75 per Placement Share.

The issue price of RM0.75, represents a discount of approximately 12.63% to the five (5)-day WAMP of 3A Shares from 28 September 2009 to 2 October 2009 (being the last market day prior to the announcement of the Proposed Private Placement) of RM0.8584.

The issue price of RM0.75 was determined after taking into consideration the letter from Wilmar indicating its interest to subscribe for the Placement Shares at RM0.75 per Placement Share ("Letter"). The Board, in deliberating the Letter and the justification for the discounted price at approximately 12.63% as stated above, had considered the following factors:-

- (a) the issue price represents a discount of approximately 2.08% to the one (1)-month WAMP of 3A Shares up to 2 October 2009 of RM0.7659;
- (b) the issue price represents a premium of approximately 16.57% to the three (3)-months WAMP of 3A Shares up to 2 October 2009 of RM0.6434;
- (c) the resources and management of Wilmar will be able to help drive 3A Group's strategic development moving forward; and
- (d) the total gross proceeds to be raised amounting to approximately RM46.2 million can be utilised for the purposes set out in Section 2.4 of this Circular.

2.2 Ranking and listing of the Placement Shares

The Placement Shares will be listed and quoted as the existing listed 3A Shares of the same class. The Placement Shares so allotted and issued shall rank *pari passu* in all respects with the existing issued Shares of the Company, save and except that the Placement Shares will not be entitled to any dividend, right, allotment and/or any other distribution that may be declared, made or paid prior to the date of allotment of the Placement Shares.

On 15 October 2009, the Company had received the approval from Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities, subject to the conditions as stated under Section 7(a) of this Circular.

2.3 Allocation to placees

The Placement Shares are proposed to be placed out to a strategic third party investor, namely Wilmar.

Wilmar is a limited liability company, incorporated in Singapore on 14 August 1999 and is listed on the Singapore Exchange Securities Trading Limited. The issued and paid-up capital of Wilmar is USD8,402 million comprising 6,386 million ordinary shares. The principal activities of Wilmar are those of an investment holding company and provision of management services to its subsidiary companies.

The subsidiaries of Wilmar are engaged in the businesses of oil palm cultivation, oilseeds crushing, edible oils refining, consumer pack edible oils processing and merchandising, specialty fats, oleochemicals, biodiesel, fertilisers and soy protein manufacturing, rice and flour milling, and grains merchandising. Wilmar business strategy involves building an integrated business model which captures the entire value chain of the agricultural commodity processing business, from origination, processing and transportation to the branding, merchandising and distribution of a wide range of agricultural products.

(Source: http://www.wilmar-international.com/business_index.htm)

Wilmar has given a written irrevocable and unconditional undertaking to subscribe for the Placement Shares at RM0.75 per Placement Share. Wilmar had on 9 October 2009, provided its confirmation that it has sufficient financial resources to take up its entitlement as stated above. The said confirmation has been verified by OSK, the principal adviser for the Proposed Private Placement.

2.4 Utilisation of proceeds

Based on the issue price of RM0.75 for each Placement Share, the Company is expected to raise gross proceeds amounting to RM46,200,000 from the Proposed Private Placement. The proceeds are expected to be utilised for the existing 3A Group and/or any future overseas investment in the following manner:-

Details of utilisation	Estimated timeframe for full utilisation	Amount of proceeds RM
Working capital ^{*1}	Within twenty-four (24) months	25,800,000
New overseas investment ^{*2}	Within twenty-four (24) months	20,000,000
Estimated expenses for the Proposed Private Placement	Upon completion of the Proposed Private Placement	400,000
Total		46,200,000

Notes:-

^{*1} *The proceeds earmarked for working capital will be utilised to finance our day-to-day operations in the following manner:-*

	RM
<i>Purchase of raw materials</i>	18,000,000
<i>Sales and marketing and staff related expenses</i>	7,800,000
	25,800,000

Purchase of raw materials relates to those normally used in the production of 3A's products. Sales and marketing expenses and staff related expenses relates to expenses such as distribution cost, printing and salaries etc.

However, in the event there is an increase in funding requirements for any new overseas investments, the amount will be adjusted from the RM25,800,000 allocated for working capital purposes.

^{*2} *The new overseas investment includes exploring and setting up of plants in China. As at the LPD, the details of such investments have yet to be finalised.*

Any variation in terms of the gross proceeds raised from the Proposed Private Placement will be adjusted against the amount allocated for working capital purposes.

It is envisaged that the cash proceeds will be fully utilised within twenty-four (24) months from the date of completion of the Proposed Private Placement.

Pending utilisation of the proceeds from the Proposed Private Placement for the above purposes, the proceeds will be placed with financial institutions and/or short-term money market instruments.

2.5 Underwriting of Placement Shares

As all Placement Shares are proposed to be placed out to Wilmar, no underwriting arrangement is required.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED PRIVATE PLACEMENT

The Proposed Private Placement is expected to raise gross proceeds of RM46,200,000 based on the issue price of RM0.75. The gross proceeds will enable 3A and Wilmar to collectively venture into future overseas investment including exploring the setting up of plants in China. The type of plants currently deliberated would involve plants that make the kind of food ingredients currently being produced by 3A.

The Board views the Proposed Private Placement as the most appropriate avenue of raising funds as compared to other equity or debt financing options as it enables 3A to raise funds expeditiously and strengthen its balance sheet position without incurring interest costs, as compared to bank borrowings.

Furthermore, Wilmar, a strategic third party investor, had indicated its interest to participate in the Proposed Private Placement. Hence, the immediate funds to be obtained from the Proposed Private Placement would support the objectives of both 3A and Wilmar to collectively venture into any future overseas investment.

4. OUTLOOK AND PROSPECTS

4.1 Growth outlook of the economy for the second half of 2009

There are increasing signs that conditions in the global economy are stabilising. In the major advanced economies, the pace of the decline in economic activity is moderating, while conditions in the international financial markets have broadly improved. These improvements were the result of the cumulative effects of extensive policy measures undertaken to stabilise the financial markets and to support the economy. There is also evidence that economic activity in the regional economies is picking up. Economic recovery, however, is likely to be slow as most advanced economies are still undergoing adjustments amidst on-going deleveraging activity in the private sector.

The domestic economy continued to be affected by the weak global economic activity in the second quarter as reflected in the continued sharp decline in exports. However, recent indicators, including industrial production, export growth and conditions in the labour market, point towards stabilisation of the domestic economy. Going forward, the expectation remains that the domestic economy will improve in the second half of the year, to be supported by a recovery in domestic demand following improvements in labour market conditions, as well as business and consumer sentiments. The accelerated implementation of the fiscal measures, lower inflation, continued access to financing, and the accommodative monetary environment will provide further support to domestic demand. The stabilisation of the global economy is also expected to contribute to the improvement in the domestic economy in the second half of the year.

(Source: Economic and Financial Developments in Malaysia in the 2nd Quarter of 2009, Bank Negara Malaysia)

4.2 Industry outlook for the food sector

The food sector is highly reliant upon consumer confidence of the economy as it measures the spending behaviour reflective of income level and general economic conditions allowing one to gauge consumer spending movement.

According to a survey done by Malaysia Institute of Economic Research ("MIER"), consumer confidence in Malaysia has improved in the second quarter of 2009, possibly influenced by the measures taken to support the economy. These include the fiscal stimulus packages, the historically low interest rates, and the recent liberalisation measures. The Consumer Sentiments Index ("CSI") has passed the 100-points threshold that separates expansion and contraction. The CSI has notched up 26.9 points to 105.8 points in the second quarter of 2009, up from 78.9 points in the first quarter of 2009. Despite the still sharp declines in monthly indicators, the rise in sentiments could have been propped up by the perception that recent measures would stabilise the economy.

From the CSI survey, it is concluded that the consumers are bracing for better times, expecting finances to shape up, favourable job expectations, and anxieties on inflation growing, hence, the spending plans are on again.

(Source: Malaysian Economic Outlook, MIER, July 2009)

4.3 Prospects of our Group

The Group is principally involved in the manufacturing and sales of food and beverage ("F&B") ingredients. It focuses its core strength in the F&B industry through its wholly-owned subsidiary, San Soon Seng Food Industries Sdn. Bhd. ("SSSFI"). SSSFI is one of the leading F&B ingredients manufacturers in the country with products ranging from Caramel Colour, Glucose Syrup, Maltose Syrup, Soya Protein Sauce, Natural Fermented Vinegar; Distilled Vinegar; Rice Vinegar, Caramel Powder, HVP Powder, Soya Sauce Powder and Maltodextrin. The above products are used as ingredients for various F&B such as sauces and seasonings, soft drinks and cordials, pharmaceutical industry products, confectioneries and etc.

The Board is of the view that the prospect of the Group is in line with the positive food sector outlook as stated in Section 4.2 above. Further, with a well established brand name backed by a proven track record of good product quality and delivery system, the Board expects its export products to perform better moving forward.

As part of the strategy to expand its market coverage into countries such as China and South East Asia, 3A finds the opportunity presented via the entrance of Wilmar as a key strategic investor through this Proposed Private Placement as opportune. Currently, the Group has market presence in Hong Kong and China. By investing in a plant in China, 3A will be closer to its customers. This will potentially improve the time-to-delivery and customer service of 3A.

Further, in the first half of this year, the gross domestic product ("GDP") of China was 13,986.2 billion yuan, a year-on-year increase of 7.1 percent, which was 1.0 percentage point faster than that in the first quarter. The per capita income of urban households was 9,667 yuan. Of this total, the per capita disposable income of urban population was 8,856 yuan, a year-on-year growth of 9.8 percent, or a real growth of 11.2 after deducting price factors. The per capita cash income of rural population was 2,733 yuan, up by 8.1 percent year-on-year, or 8.1 percent growth in real term.

(Source: "China first half of 2009 economic report: Statement by spokesman Li Xiaochao of the National Bureau of Statistics", 16 July 2009)

In view of the improving sentiment of the economy in China, the expansion into China is also considered as timely.

In addition, Wilmar has established its market presence in China via its various subsidiaries. 3A will be able to tap on the expertise and experience of Wilmar in the China market for its future expansion plans.

In light of the positive industry outlook and the change in Government policies where priorities are placed, amongst others, into food and healthcare to further improve the standard of living, the Board believes that the business will continue to flourish and that the benefits of setting up of the plant to be realised in the future, will be favourable to the Group. However, as there may be investment risks involved, there can be no assurance that the anticipated benefits from its overseas investment will materialise. The Board will however continue to review its business strategies and undertake prudent financial management prior to making any investment decisions.

5. EFFECTS OF THE PROPOSED PRIVATE PLACEMENT

5.1 Issued and paid-up share capital

The proforma effects of the Proposed Private Placement on the issued and paid-up share capital of 3A is as follows:-

	No. of Shares	RM
Issued and paid-up share capital as at LPD	308,000,019	61,600,003
To be issued pursuant to the Proposed Private Placement	61,600,000	12,320,000
Enlarged issued and paid-up share capital	369,600,019	73,920,003

5.2 Net assets per share and gearing

Based on the latest audited consolidated financial statements of 3A as at 31 December 2008, the proforma effects of the Proposed Private Placement on the net assets ("NA") per share and gearing of the 3A Group are as follows:-

	Audited as at 31 December 2008 RM	After the Proposed Private Placement RM
Share capital	61,600,003	73,920,003
Share premium	-	33,480,000*
Retained earnings	18,041,742	18,041,742
Shareholders' equity/ Net assets	<u>79,641,745</u>	<u>125,441,745</u>
Number of ordinary shares in issue	308,000,019	369,600,019
NA per ordinary share (RM)	0.26	0.34
Borrowings (interest-bearing) (RM)	45,518,583	45,518,583
Gearing (times)	0.57	0.36

Note:-

* Assuming the Placement Shares are placed out at a price of RM0.75 per Placement Share and after deducting estimated expenses relating to the Proposed Private Placement of approximately RM400,000.

5.3 Earnings and EPS

The Proposed Private Placement is not expected to have any material effect on the earnings of the 3A Group for the FYE 31 December 2009 as the Proposed Private Placement is only expected to be completed in the fourth quarter of 2009.

However, the EPS of the 3A Group may be reduced correspondingly as a result of the increase in the number of 3A Shares in issue pursuant to the Proposed Private Placement.

As stated in Section 2.4 of this Circular, the additional working capital and the intended setting up of a plant in China are expected to assist the Company to grow its business further. Barring any unforeseen circumstances, the future overseas investment is expected to increase the production capacity of the Group and thus improve the future earnings and EPS of 3A.

5.4 Substantial shareholders

Based on 3A's Register of Substantial Shareholders as at LPD, the proforma effects of the Proposed Private Placement on the substantial shareholders' shareholdings are as follows:-

Substantial Shareholders	Existing as at LPD				After the Proposed Private Placement			
	<----Direct---->		<-----Indirect----->		<----Direct---->		<-----Indirect----->	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
Fang Chew Ham Holdings Sdn Bhd	92,448	30.0	-	-	92,448	25.0	-	-
Fang Chew Ham	-	-	137,347 ^{*1}	44.6	-	-	137,347 ^{*1}	37.2
Lembaga Tabung Haji	16,844	5.5	-	-	16,844	4.6	-	-
Fong Chiew Hean	16,571	5.4	29,192 ^{*2}	9.5	16,571	4.5	29,192 ^{*2}	7.9
Foong Chiew Fatt	16,031	5.2	30,148 ^{*3}	9.8	16,031	4.3	30,148 ^{*3}	8.2
Fong Chu King @ Tong Chu King	11,497	3.7	33,046 ^{*4}	10.7	11,497	3.1	33,046 ^{*4}	8.9
Wilmar	-	-	-	-	61,600	16.7	-	-

Notes:-

^{*1} Indirect interest via shareholdings of his siblings Foong Chiew Fatt, Fong Chiew Hean, Fong Chu King @ Tong Chu King; his daughters Fang Siew Yee, Fang Siew Ping and Fang Chew Ham Holdings Sdn Bhd.

^{*2} Indirect interest via shareholdings of his siblings Foong Chiew Fatt, Fong Chu King @ Tong Chu King, his spouse Yeoh Ha Wah and his son and daughter Fong Peng Man and Fong Sau Mui.

^{*3} Indirect interest via shareholdings of his siblings Foong Chiew Hean, Fong Chu King @ Tong Chu King and his daughters Foong Kin, Foong Sau Chun.

^{*4} Indirect interest via shareholdings of his siblings Foong Chiew Fatt, Fong Chiew Hean and his son Fong Peng Fai.

6. IMPLICATION OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 1998 ("CODE")

Pursuant to the Code, a person and any person acting-in-concert with him will be obliged to make a mandatory general offer ("MGO") for the remaining ordinary shares of the Company not already owned by him/them if as a result of the Proposed Private Placement:-

- (a) a shareholder who holds less than 33% of the voting shares of 3A has inadvertently increased his shareholding to more than 33%; or
- (b) a shareholder who holds more than 33% but less than 50% of the voting shares of 3A has inadvertently increased his shareholdings by 2% or more within a six (6) month period.

As at LPD, Wilmar does not hold any 3A Shares. Upon completion of the Proposed Private Placement, Wilmar will emerge as a new substantial shareholder of the Company with equity shareholdings of 16.67%.

Wilmar is not an Interested Person or person connected with an Interested Person or a nominee corporation.

Accordingly, the subscription of the Placement Shares by Wilmar will not trigger any obligation for MGO under the Code.

7. APPROVALS REQUIRED FOR THE PROPOSED PRIVATE PLACEMENT

The Proposed Private Placement is subject to the approvals being obtained from the following:-

- (a) Bursa Securities, for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities, which was obtained on 15 October 2009, subject to the following conditions:

Conditions imposed	Status of compliance
i. 3A and its adviser must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the proposal;	Noted and to be complied.
ii. 3A and its adviser to inform Bursa Securities upon the completion of the proposal;	To be complied.
iii. 3A to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the proposal is completed; and	To be complied.
iv. 3A to furnish Bursa Securities a certified true copy of the resolution passed by the shareholders approving the Proposed Private Placement.	To be complied.

- (b) the Shareholders of 3A at an EGM to be convened; and
- (c) any other relevant authorities, if required.

8. ESTIMATED TIME FRAME FOR COMPLETION

Barring unforeseen circumstances, the Board expects the Proposed Private Placement to be completed by the fourth quarter of 2009.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors and/or major shareholders of 3A and/or any persons connected to them have any interests, whether direct or indirect, in the Proposed Private Placement.

10. CORPORATE EXERCISE/SCHEME ANNOUNCED BUT NOT YET COMPLETED

Save for the Proposed Private Placement (which is the subject matter of this Circular), the Board confirms that as at the LPD there is no other corporate exercise or scheme which have been announced but not yet completed.

The Board also wishes to confirm that the Proposed Private Placement is not conditional or inter-conditional upon any other corporate exercise or scheme undertaken or to be undertaken by 3A.

11. DIRECTORS' RECOMMENDATION

The Board, having considered and deliberated on all aspects of the Proposed Private Placement, is of the opinion that the Proposed Private Placement is in the best interest of 3A Group.

After taking into consideration the rationale for the Proposed Private Placement, the industry overview and prospects of the Company and the effects of the Proposed Private Placement, the details of which are set out under Section 3, Section 4 and Section 5 respectively of this Circular, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Private Placement to be tabled at the forthcoming EGM.

12. EXTRAORDINARY GENERAL MEETING

An EGM, the notice of which is enclosed in this Circular, will be held at Ballroom 1, Level 1, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 3 November 2009 at 11:00 a.m., for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Private Placement.

A Form of Proxy for the forthcoming EGM is enclosed in this Circular. If you are unable to attend and vote in person at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instruction therein to the Company's Registered Office at AL 308, Lot 590 & Lot 4196, Jalan Industri, U 19, Kampung Baru Seri Sungai Buloh, 47000 Selangor Darul Ehsan not less than forty-eight (48) hours before that time set for the EGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

13. FURTHER INFORMATION

Shareholders are advised to refer to the attached appendix for further information.

Yours faithfully,
For and on behalf of the Board of
THREE-A RESOURCES BERHAD

Dato' Mohd Nor Bin Abdul Wahid
Executive Chairman

FURTHER INFORMATION**1. RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board who collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

2. CONSENT

OSK, being the Adviser for the Proposed Private Placement, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in the Circular.

3. DECLARATION ON CONFLICT OF INTEREST

OSK confirms that as at the date of this Circular, after making enquiries as were reasonable in the circumstances, there is no other equity and/or financial relationship with 3A which exist or is likely to exist that may result in a situation of conflict of interest in its role as adviser to the Company for the Proposed Private Placement.

4. MATERIAL LITIGATION, CLAIM OR ARBITRATION

To the best of the Board's knowledge, 3A and/or the subsidiaries are not engaged in any material litigation, claim or arbitration either as plaintiff or defendant and the Board do not have any knowledge of proceedings pending or threatened against the Group, or any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or business of the Group.

5. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, the Board is not aware of any material commitments and contingent liabilities incurred or known to be incurred by 3A Group:-

	RM
Corporate guarantees provided to licensed financial institutions in respect of credit facilities granted to a wholly-owned subsidiary	41,275,041

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK
--

6. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of 3A Shares as traded on the Main Market of Bursa Securities for the last 12 months from October 2008 to September 2009 are as follows:-

	High RM	Low RM
2008		
October	0.365	0.315
November	0.340	0.310
December	0.330	0.315
2009		
January	0.350	0.325
February	0.350	0.325
March	0.335	0.305
April	0.350	0.325
May	0.365	0.335
June	0.460	0.345
July	0.470	0.380
August	0.600	0.440
September	0.865	0.565
Last transacted market price of 3A Shares on 5 October 2009 (being the last transacted price immediately before the announcement of the Proposed Private Placement)		0.960
The last transacted market price of 3A Shares as at the LPD		0.895

(Source: Bloomberg)

7. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at AL 308, Lot 590 & Lot 4196, Jalan Industri, U 19, Kampung Baru Seri Sungai Buloh, 47000 Selangor Darul Ehsan during normal business hours from the date hereof up to the time fixed for the holding of the EGM:-

- (a) Memorandum and Articles of Association of 3A;
- (b) audited consolidated financial statements of 3A for the past two (2) FYE 31 December 2007 and 31 December 2008 and the latest unaudited results of 3A for the six (6) months period ended 30 June 2009; and
- (c) the letter of consent referred to in Section 2 above.



THREE-A RESOURCES BERHAD

(Company No. 481559-M)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Three-A Resources Berhad ("3A" or "Company") will be held at Ballroom 1, Level 1, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 3 November 2009 at 11:00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing the following ordinary resolution:-

ORDINARY RESOLUTION

PROPOSED PRIVATE PLACEMENT OF 61,600,000 NEW ORDINARY SHARES OF RM0.20 EACH IN 3A ("SHARES") ("PROPOSED PRIVATE PLACEMENT")

"**THAT**, subject to the approvals of all relevant authorities, including the approval of Bursa Malaysia Securities Berhad for the listing of and quotation for all the new Shares to be issued hereunder, authority be and is hereby given to the Directors to allot and issue, pursuant to the proposed private placement of 61,600,000 new Shares ("Placement Shares") at an issue price of RM0.75 per Placement Share to Wilmar International Limited for such purposes as disclosed in Section 3 of the Circular to the shareholders of 3A dated 19 October 2009 ("Circular"), and for such proposed utilisation of proceeds as disclosed in Section 2.4 of the Circular, and that such Placement Shares so allotted and issued shall rank *pari passu* in all respects with the existing issued Shares of the Company, save and except that the Placement Shares will not be entitled to any dividend, right, allotment and/or any other distribution that may be declared, made or paid prior to the date of allotment of the Placement Shares;

AND THAT the Directors of the Company be and are hereby authorized with full power to assent to any conditions, modification, variations and/or amendments in any manner as may be required to give effect to the Proposed Private Placement, and to take all such steps as they may deem necessary or expedient in the best interests of the Company to implement, finalise and give full effect to the Proposed Private Placement."

By order of the Board,

Ng Bee Lian (MAICSA 7041392)
Company Secretary

Tan Enk Purn (MAICSA 7045521)
Company Secretary

Kuala Lumpur
19 October 2009

Notes:-

1. *A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.*
2. *The proxy form must be duly completed and deposited at the registered office of the Company at AL 308, Lot 590 & Lot 4196, Jalan Industri, U19, Kampung Baru Seri Sungai Buloh, 47000 Selangor D.E. not less than 48 hours before the time for holding the meeting. Provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his /their proxy, PROVIDED Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).*
3. *A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.*
4. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorized.*



THREE-A RESOURCES BERHAD
 (Company No. 481559-M)
 (Incorporated in Malaysia under the Companies Act, 1965)

FORM OF PROXY

I/We.....
 of.....
 being a member/members of THREE-A RESOURCES BERHAD hereby appoint
 of.....

or the Chairman of the meeting as my/our proxy to attend and vote as indicated hereon on my/our behalf at the Extraordinary General Meeting of the Company to be held at Ballroom 1, Level 1, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 3 November 2009 at 11:00 a.m. or any adjournment thereof:-

ORDINARY RESOLUTION	FOR	AGAINST
Proposed Private Placement		

(Please indicate with a cross (x) in the appropriate box how you wish your vote to be cast in respect of the resolution. In the absence of specific direction, your proxy will vote or abstain from voting as he thinks fit.)

Dated this day of2009

Number of shares held	
------------------------------	--

.....
 Signature/ Common Seal of Shareholder(s)

Notes:

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
2. The proxy form must be duly completed and deposited at the registered office of the Company at AL 308, Lot 590 & Lot 4196, Jalan Industri, U19, Kampung Baru Seri Sungai Buloh, 47000 Selangor D.E. not less than 48 hours before the time for holding the meeting. Provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his /their proxy, PROVIDED Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorized.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretary
THREE-A RESOURCES BERHAD (481559-M)
AL 308, Lot 590 & Lot 4196
Jalan Industri, U 19
Kampung Baru Seri Sungai Buloh
47000 Selangor Darul Ehsan

1st fold here
