**ANNOUNCEMENT REGARDING TAX REGULATIONS ISSUED BY INDONESIAN DIRECTORATE GENERAL OF TAXATION**

First Resources Limited's subsidiary, Ciliandra Perkasa Finance Company Pte. Ltd., has today issued an announcement on the above matter, as attached for your information.

**Attachments**

- **CLP_WithholdingTaxImpact_21Dec2009.pdf**
  - Total size = **18K**
  - (2048K size limit recommended)
ANNOUNCEMENT REGARDING TAX REGULATIONS
ISSUED BY INDONESIAN DIRECTORATE GENERAL OF TAXATION

The Indonesian Directorate General of Taxation issued two tax regulations (Regulation Nos. 61/PJ/2009 and 62/PJ/2009) dated 5 November 2009 (the “Regulations”). The Regulations provided clarification on the withholding tax treatment of the typical structure used in Indonesian bond issuances.

After consulting our tax advisors, Ciliandra Perkasa Finance Company (the “Company”) has determined that the Regulations have implications on its outstanding US$140.8 million, 10.75% bonds due in year 2011 (the “Bonds”). With effect from 1 January 2010, the coupon payments of the Bonds will be subject to a 20% withholding tax rate, instead of the existing 10% which was the rate in effect since the date of issuance.

The Company affirms that the Regulations will not affect the coupon rate of the Bonds. However, PT Ciliandra Perkasa and its subsidiaries will incur additional tax expenses of approximately US$2.1 million per annum.

The Company is currently exploring options to minimise the negative impact arising from the Regulations. We will make appropriate announcements, as and when there is further progress on this matter.

Ciliandra Perkasa Finance Company Pte. Ltd.
21 December 2009
Singapore