

GALLANT VENTURE LTD

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ANNOUNCEMENT BY GALLANT VENTURE LTD. ("GALLANT" OR "COMPANY") IN RESPECT OF LAND OWNERSHIP CLAIMS FILED BY PT RAFLESIA MATRAWISATA

Reference is made to the suit filed by PT Raflesia Matrawisata against five defendants, namely, the Gallant subsidiaries, PT Buana Megawisatama ("PT BMW") and PT Bintan Resort Cakrawala ("PT BRC") (together the "Gallant Subsidiaries", which expression may where applicable mean one or both of them); PT Bintan Lagoon Resort; Badan Pertanahan Nasional (the Indonesian National Land Office) and Badan Pertanahan Nasional Cq Kantor Pertanahan Kabupaten Kepulauan Riau (the Bintan Land Office), relating to PT Raflesia Matrawisata's alleged ownership of land in Bintan Resorts, filed in the Tanjung Pinang District Court in Bintan ("Suit").

As disclosed in the Company's announcement dated 21 June 2007, the Tanjung Pinang District Court has rejected the claims to ownership of the lands in question by PT Raflesia Matrawisata as filed in the Suit, as PT Raflesia Matrawisata is unable to substantiate its claims to ownership of the land.

The Board of Directors wishes to announce that PT Raflesia Matrawisata has filed an appeal to the Riau High Court against the decision of the Tanjung Pinang District Court ("Appeal"). The Gallant group will vigorously contest the Appeal.

As previously announced, Parallax Venture Partners XXX Limited ("PVP"), which is a substantial shareholder of Gallant, has confirmed that it will indemnify Gallant in full for any losses or damages suffered as a result of the Suit. All costs incurred by the Gallant Subsidiaries in this respect will be borne by PVP. Therefore, the Gallant group will not have any adverse financial exposure to the Suit.

This announcement is made for information purposes only.

By Order of the Board

Choo Kok Kiong
Company Secretary
By order of the Board
Gallant Venture Ltd.

2 October 2007

The listing exercise of Gallant was sponsored by Asian Corporate Advisors Pte. Ltd. and Genesis Capital Pte. Ltd. (collectively, the "Managers"). The Managers assume no responsibility for the contents of this announcement.