



Our Reference: NRE(S)62.120.010.001.
002/012 Jld. 3 (19)
Date: 13 Mac 2007

Executive Director,
TSH Bio Energy Sdn. Bhd.,
Suite 702, Level 7,
Block E, Phileo Damansara I, No. 9, Jalan 16/11,
46350 Petaling Jaya,
SELANGOR
(Att: Mr. Lim Fook Hin)

Fax: +603-76611916

Dear Sir,

Host Country's Letter of Approval for Kunak Bio Energy Project
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As the Designated National Authority (DNA) for the implementation of Clean Development Mechanism (CDM) in Malaysia, I am pleased to inform that your project proposal for Kunak Bio Energy Project as defined in the Project Design Document is found to be in compliance with the national criteria for the CDM activities and will assist Malaysia to achieve sustainable development.

2. I hereby confirm that:

- (i) Malaysia has ratified the United Nations Framework Convention on Climate Change on 13th July 1994 and Kyoto Protocol on 4th September 2002; and
- (ii) Malaysia participates voluntarily in this proposed CDM activity.

3. In this regard, your project can now be submitted to the CDM Executive Board for registration as a CDM project activity.

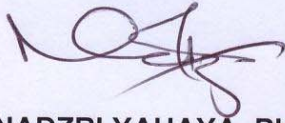
4. As Malaysia does not support unilateral CDM project, this approval is considered void if this project is found to be a unilateral project by the CDM Executive Board.

5. This approval is valid if it is submitted to the Executive Board for registration within 3 months from the date of this letter and is independent of the time taken by the Executive Board to register the project.

6. You are required to submit a written report to the DNA on the stages and progress of the project implementation at least twice a year.

Thank you.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'Nadzri Yahaya', with a stylized, flowing script.

**(NADZRI YAHAYA, Ph.D.)**

Conservation and Environmental Management Division  
For Secretary General  
Ministry of Natural Resources and Environment  
As the DNA