



APPROVAL IN PRINCIPAL FOR THE LISTING AND QUOTATION OF UP TO 474,074,074 NEW ORDINARY SHARES (the "CONVERSION SHARES") IN THE CAPITAL OF THE COMPANY, TO BE ISSUED UPON CONVERSION OF 1.5% EQUITY-LINKED REDEEMABLE NON-RECALLABLE STRUCTURED CONVERTIBLE NOTES DUE 2010 WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$32,000,000 COMPRISING THREE TRANCHES OF S\$12,000,000, S\$10,000,000 and S\$10,000,000 EACH RESPECTIVELY (the "NOTES ISSUE")

We refer to the Company's SGXNET announcements dated 1 October 2007 and 6 November 2007 in relation to the Notes Issue.

The Company is pleased to announce that the Exchange has approved in-principle the listing and quotation of the Conversion Shares for the Notes Issue, subject to:-

- (i) The Company's compliance with the Exchange's listing rules; and
- (ii) Shareholders' approval being obtained in the forthcoming Extraordinary General Meeting of the Company for the Notes Issue and the Conversion Shares upon conversion of the Notes.

The Exchange's in-principle approval is not to be taken as an indication of the merits of the Notes Issue, the Conversion Shares, the Company or its subsidiaries.

A circular to the Company's shareholders containing, *inter alia*, the notice of the extraordinary meeting and details of the terms and condition of the Notes Issue will be dispatched shortly.

BY ORDER OF THE BOARD

HUANG WENJIAN EUGENE
Legal and Corporate Affairs Manager
Company Secretary
mDR Limited
18 December 2007