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MTD CAPITAL IN RM375 MLN TOWNSHIP PROJECT IN CHILE

KUALA LUMPUR, Nov 22 -- MTD Capital Malaysia Bhd has signed a joint venture agreement with a Chilean landlord, Jorge Fontaine Aldunate, to develop a US\$150 million (RM375 million) township at Pirque, 45 km south of Santiago.

A statement from the embassy of Malaysia in Chile said the township to be developed over 1,230 hectares, would be developed in two phases incorporating Malaysian and Chilean models of development.

The statement added that the project would combine both commercial and social aspects of development with strong emphasis given to environmental protection in line with Chilean and Malaysian development policies.

A promissory agreement was signed between MTD Capital's chairman Datuk Dr Nik Hussain Abdul Rahman and Aldunate in Chile yesterday.

MTD Capital which owns 51 percent investment equity in the project, would set up its operations office in Santiago and a team of experts from Malaysia would be brought over to jointly develop the project, with local experts.

Work on the development of the township is expected to get off the ground in the middle of 1997 and the realisation of this project marks another milestone for Malaysia and Chile in enhancing South South Cooperation, the statement added.

"It would also enhance further Malaysia-Chile bilateral relations following the visit of Prime Minister Datuk Seri Dr Mahathir Mohamad to Chile in 1991 and the visit of the President of Chile, Eduardo Frei Ruiz Pangle to Malaysia in 1995," it added.

MTD Capital's shares are currently trading unchanged at RM16.10 on the Kuala Lumpur Stock Exchange's Second Board. -- BERNAMA

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