

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 200802235C)

RECEIPT OF THIRD PARTY NOTICE BY MENCAST MARINE PTE LTD

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Company's announcement dated 7 June 2010 in relation to the receipt of the third party notice by Mencast Marine Pte Ltd (the "**Announcement**").*

Further to the Announcement, the Company wishes to announce that MMPL had on 5 July 2011, entered into a settlement agreement ("**Settlement Agreement**") with Haven Automation and Offshore Marine in relation to the settlement of all disputes arising from the Claim and/or the Notice, without any admissions of liability by any party.

Pursuant to the terms of the Settlement Agreement, a settlement sum (the "**Sum**") shall be paid by Haven Automation and MMPL to Offshore Marine on or before 6 July 2011. Offshore Marine shall discontinue the legal proceedings in relation to the Claim and Haven Automation shall discontinue the Claim, by filing the relevant notices of discontinuance (the "**Notices of Discontinuance**") in relation to the Claim and the Notice respectively within 3 days of the receipt of the Sum.

MMPL, Haven Automation and Offshore Marine have agreed to treat the terms of the Settlement Agreement as strictly private and confidential.

The Settlement Agreement will not have any material impact on the net tangible assets per share and the earnings per share of the Company and its subsidiaries for the current financial year ending 31 December 2011.

None of the directors or substantial shareholders of the Company have any interest, direct or indirect, in the Settlement Agreement.

The Company will release a further announcement when the Notices of Discontinuance have been filed.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE

Executive Chairman and Chief Executive Officer

5 July 2010

*This announcement and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr Mah Kah Loon, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337-5115.*