

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200802235C)

USE OF PROCEEDS FROM THE PLACEMENT OF 15,506,600 NEW ORDINARY SHARES IN THE CAPITAL OF MENCAST HOLDINGS LTD. ("PLACEMENT")

The board of directors of Mencast Holdings Ltd. (the "**Company**") refers to the Company's announcements dated 18 October 2010, 25 October 2010, 1 November 2010 and 2 November 2010 in relation to the Placement ("**Placement Announcements**").

In accordance with Rule 704(28) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the Board wishes to announce that the net proceeds of approximately S\$5.4 million from the Placement ("**Net Proceeds**") have been fully utilised to fund the cash portion of the 1st payment tranche for the acquisition of the entire issued and paid-up share capital of Top Great Engineering & Marine Pte Ltd by the Company.

The above utilisation of the Net Proceeds is consistent with the disclosure made in the Placement Announcements.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE
Executive Chairman and Chief Executive Officer
29 July 2011

*This announcement and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**"), for compliance with the relevant rules of the SGX-ST, this being the Catalist Rules. 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.*

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