

GALLANT VENTURE LTD.
(Incorporated in the Republic of Singapore)
Co. Registration No. 200303179Z

RECEIPT OF IN-PRINCIPLE APPROVAL FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”)

Gallant Venture Ltd. (the “Company”) refers to its announcements dated 14 December 2012 and 18 December 2012 (the “Announcements”) in relation to the Proposed Transactions. Unless otherwise defined, capitalised terms used in this announcement shall bear the same meaning ascribed to them in the Announcements.

Further to the Announcements made by the Company in relation to the Proposed Transactions, the Board of Directors of the Company is pleased to announce that the Company has on 4 March 2013 received in-principle approval from the SGX-ST for the listing of and quotation of the Rights Shares and Conversion Shares on the Main Board of the SGX-ST (“AIP”).

The AIP granted by the SGX-ST to the Company is subject to, *inter alia*, the following:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) Shareholders’ approval being obtained for the Proposed Rights Issue, the issue of the Conversion Shares and the Proposed Acquisition;
- (c) the Proposed Acquisition will not result in a change in control;
- (d) announcement of the conditions under which the price of the Conversion Shares may be adjusted and the conditions under which the Convertible Bonds may be redeemed;
- (e) submission of the following:-
 - (i) a written undertaking from the Company that it will comply with the confirmation given under Rule 877(10) of the SGX-ST Listing Manual (“**Listing Manual**”) with regards to the allotment of any excess Rights Shares;
 - (ii) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;
 - (iii) a written undertaking from the Company that Rules 820, 830 and 831 of the Listing Manual will be complied with;
 - (iv) a written confirmation from CIMB Bank Berhad, Singapore Branch, and UOB Kay Hian Private Limited (collectively, the “**Joint Financial Advisers**”) that the signed moratorium agreements with the relevant parties pursuant to Rule 227 of the Listing Manual are in accordance with the requirements of Rules 228 and 229 of the Listing Manual;

- (v) a written confirmation by the Joint Financial Advisers that the Proposed Acquisition has complied with Rule 210(4)(a) of the Listing Manual;
- (vi) a written undertaking from each of the Company's directors in the form prescribed by the SGX-ST;
- (vii) a written confirmation from the Company that the terms of the Convertible Bonds comply with Rule 829(1) of the Listing Manual;
- (viii) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Rights Issue and any proceeds from the conversion of the Convertible Bonds and the Proposed Acquisition and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the Company's annual report;
- (ix) a written undertaking from the Company and the Joint Financial Advisers that it will comply with Rule 803 of the Listing Manual; and
- (x) a written undertaking from the Company and the Joint Financial Advisers that it will not place the Convertible Bonds to persons prohibited under Rule 812(1) of the Listing Manual.

The Company has made an application to the SGX-ST to seek a waiver from the requirement in Rule 829(2) of the Listing Manual that the expiry of convertible securities has to be announced and the notice of expiry has to be sent to all holders of the convertible securities at least 1 month before the expiration date, on the ground that the Vendor is the only holder of the Convertible Bonds and the Convertible Bonds are not listed and are not issued via a rights issue or a bonus issue. The SGX-ST has granted the Company a waiver of Rule 829(2) of the Listing Manual ("**Waiver**") subject to the following:

- (i) the announcement of the expiry of the convertible securities at least 1 month before the expiration date of the Convertible Bonds;
- (ii) the Company announcing the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual; and
- (iii) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company.

The AIP granted by the SGX-ST to the Company is not to be taken as an indication of the merits of the Proposed Rights Issue, the Proposed Acquisition, the Company and/or its subsidiaries.

The circular containing information on the Proposed Transactions and the notice of the EGM to seek Shareholders' approval for the Proposed Transactions will be despatched to Shareholders in due course.

BY ORDER OF THE BOARD OF DIRECTORS OF
GALLANT VENTURE LTD.

Choo Kok Kiong
Company Secretary

4 March 2013