BENG KUANG MARINE LIMITED
Registration No. 199400196M
(the "Company")

USE OF PROCEEDS FROM THE SUBSCRIPTION OF 38,000,000 NEW ORDINARY SHARES ("SUBSCRIPTION SHARES") AND GRANT OF CALL OPTION OVER ANOTHER UP TO 38,000,000 NEW ORDINARY SHARES ("OPTION SHARES") IN THE CAPITAL OF THE COMPANY

Further to the announcement made on 7 September 2009 in relation to the Subscription Shares and Option Shares, the Board of Directors (the "Board") of the Company wishes to announce the usage of the proceeds received from the subscription of 38,000,000 new ordinary shares at an issue price of S$0.225 for each Subscription Share and 13,000,000 new ordinary shares out of the Option Shares at an issue price of S$0.25 for each Option Share, which amounted to S$11,800,000, as follows:-

	S$
Gross Proceeds from	
38 Million new ordinary shares at S$0.225 per share	8,550,000
13 Million new ordinary shares at S$0.25 per share	3,250,000
	11,800,000
Less: Expenses	(40,000)
Net Proceeds	11,760,000
Use of Proceeds	
i) Repay bank borrowings	(5,800,000)
ii) Capital expenditures for new yard	(2,960,000)
iii) General working capital	(3,000,000)
Balance	-

Further announcement will be made at the appropriate time in relation to utilization of the balance of the issue proceeds as and when received.

By Order of the Board

Chua Meng Hua
Managing Director
24 December 2009