明 光 集 團
BENG KUANG GROUP

BENG KUANG MARINE LIMITED
Registration No. 199400196M

PRESS RELEASE

Beng Kuang Group Unveils Specialised Dredging Equipment for Offshore Tin Mining Activities

- *Designed and developed by its in-house team, the specialised dredging equipment has been tested for operational efficiency at various offshore tin mining sites within Indonesia*

- *Strengthening the value propositions and service offerings under the Group's Infrastructure Engineering division as an innovative solutions provider for offshore tin mining activities*

- *With dwindling surface deposits and more tin ore under the seafloor in Indonesia, tin mining activities have been moving to offshore sites in recent years(1)*

- *Opportunities to create new revenue streams from the sales and installation of the proprietary specialised dredging equipment and/or providing offshore dredging services for tin concession holders in Indonesia and Malaysia*

Singapore, 24 November 2021 – **Beng Kuang Marine Limited** ("**明光集团**" or the "**Company**", and together with its subsidiaries, the "**Beng Kuang Group**"), is pleased to share that its in-house team has designed and developed specialised dredging equipment for offshore tin mining activities.

Notably, the pilot phase of the Group's specialised dredging equipment was undertaken in collaboration with a leading tin smelter based in Indonesia.

Installed on barges, the specialised dredging equipment has been tested for operational efficiency in various offshore tin mining sites in Indonesia with the following highlights:

- Deep-water extraction of up to 60 metres
- Capable of drilling and extraction of 8 – 10 holes daily
- Extraction rate of 100 kg to 150 kg per hole

Tin's high conductivity, low melting point, high specific gravity, low toxicity, and relative abundance makes it an essential component of modern electronics. In the early 2000s, electronics manufacturers and suppliers transitioned away from leaded to lead-free solders, with higher tin concentrations. As lead-free solders came to dominate the market, the demand for tin production surged(1).

At 80,000 tons annually, Indonesia is the second largest tin producer in the world, just barely behind China's 85,000 tons. Tin mined in Indonesia and throughout the world is predominantly used in solders, both for electronics as well as for plumbing and other structural solders(1).

Since 2020, the price of tin has been on a strong uptrend, due to severe supply tightness resulting from COVID-19 lockdowns, especially in Malaysia and Indonesia, major tin producers accounting for a combined 30% of global refined tin production in 2020, Fitch notes, that has yet to match up with

(1) https://dsmobserver.com/2021/08/tin-mining-in-indonesia-moves-offshore/

demand despite easing slowly. Fitch expects tin demand to continue outstripping supply, pushing the market into deficit by 2026[(2)].

With its specialised dredging equipment, Beng Kuang Group aims to develop new value propositions for offshore tin mining activities and create new revenue streams.

Mr Yong Jiunn Run, Chief Executive Officer of Beng Kuang Group, said: ***"There are strong key drivers in the demand for tin globally and while there are significant tin ore deposits within Indonesia's offshore regions, there are various operational challenges in such offshore tin mining activities.***

Utilising our technical expertise from multiple business areas, we are excited to showcase how our specialised dredging equipment, technology and services can enable tin concession owners in Asia to gain greater access to these offshore tin ore deposits and create more efficiency in these operations."

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About Beng Kuang Marine Limited
(Bloomberg: BKM:SP / Reuters: BENK.SI / SGX Stock Code: BEZ)

Beng Kuang Marine Limited ("**明光集团**" or the "**Company**", and together with its subsidiaries, the "**Beng Kuang Group**") was founded in 1994 and has been listed on Singapore Exchange since 15 October 2004.

Over the years, Beng Kuang Group has been striving to be the "Preferred Partner" in providing total solutions for the marine, offshore oil and gas industries. As a testament to its commitment to quality, health and safety, many of its subsidiaries have been accredited with the relevant ISO certifications.

Leveraging on its strong track record and established business networks, Beng Kuang Group continues to strategically grow its key businesses in Infrastructure Engineering, Corrosion Prevention, Supply & Distribution and Shipping.

For more information, please visit http://www.bkmgroup.com.sg/

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(2) https://www.mining.com/demand-to-keep-tin-price-on-a-tear-report/