



**HG METAL MANUFACTURING LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 198802660D)

**ISSUE OF 163,850,000 NEW ORDINARY SHARES AND THE GRANT OF CALL OPTION  
TO SUBSCRIBE FOR FURTHER NEW ORDINARY SHARES IN THE CAPITAL OF  
HG METAL MANUFACTURING LIMITED (THE "COMPANY")**

The board of directors of the Company (the "**Board**") refers to the Company's earlier announcement dated 19 July 2010 in relation to the above matter (the "**Subscription Announcement**"). Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as defined in the Subscription Announcement.

The Board wishes to announce that following (i) the payment of the aggregate Subscription Price of S\$15,565,750 by the Subscriber to the Company for the New Shares and (ii) the allotment and issuance of 163,850,000 New Shares by the Company to the Subscriber, the subscription of the New Shares has completed today.

The New Shares will be listed for quotation on the Main Board of the SGX-ST on or around 16 November 2010 and trading of the New Shares will commence with effect from 9.00 a.m. on the same date on or around 16 November 2010.

The Board further wishes to update Shareholders on the use of proceeds arising from the allotment and issuance of the New Shares. As stated in the Company's circular to Shareholders dated 26 October 2010, approximately 20% of the gross proceeds from the allotment and issuance of the New Shares will be used for the repayment of a bank loan. The Company has utilised approximately S\$3 million to repay the said bank loan. The remainder of the gross proceeds will be used for general working capital purposes. Accordingly, the proceeds from the allotment and issuance of the New Shares has been utilised by the Company for its intended purposes.

BY ORDER OF THE BOARD

Tan Chan Too

Director

15 November 2010