



OCEANUS GROUP LIMITED

(Incorporated in the Republic of Singapore under Registration Number: 199805793D)

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NEWS RELEASE

OCEANUS PROGRESSES WITH DEBT RESTRUCTURING; SIGNS BINDING TERM SHEET WITH TWO OF THREE KEY CREDITORS

- ***Total debt balance held under two key creditors to potentially reduce from S\$71.85 million to S\$17.65 million***
- ***Conversion of S\$54.2 million worth of debt into new shares at a conversion price ranging between S\$0.003 and S\$0.02167 per share***
- ***Loans held under two key creditors expiring end-2016 will be extended to end-2018, balance principal of S\$17.65 million after conversion will cease to accrue interest from July 1, 2016***
- ***Creditor, BWIL, and Oceanus CEO, Mr Peter Koh, to collectively contribute S\$750,000 for Oceanus' professional fees and operational costs***

Singapore, September 8, 2016 – Homegrown premium seafood supply chain manager, Oceanus Group Limited (“**Oceanus**”, 欧圣集团, and together with its subsidiaries, the “**Group**”), announced today that it has entered into a binding term sheet with two of three of Oceanus’ key creditors in relation to a proposed debt restructuring (“**Proposed Restructuring**”), which may substantially reduce Oceanus’ total outstanding debt balance, improving its balance sheet.

The total debt balance, including accrued interest, held under the two key creditors, Ocean Wonder International Limited (“**OWIL**”) and BW Investment Limited (“**BWIL**”), amount to S\$71.85 million, representing 82.8% of Oceanus’ outstanding debts. Both parties have agreed that S\$54.2 million of this balance will be converted into new Oceanus shares at a conversion price ranging between S\$0.003 and S\$0.02167 per share.

Similarly, it is intended that S\$7.23 million of outstanding debt to Ocean King Group Limited (“**OKGL**”), the third key creditor which has yet to enter into a binding term sheet for the Proposed Restructuring, will be converted into new Oceanus shares at a conversion price ranging between S\$0.003 and S\$0.02167 per share.

On the Proposed Restructuring, Oceanus’ Executive Director and Chief Executive Officer, Mr Peter Koh, said, “This is a big step forward for Oceanus in our tireless efforts to clean up the Group’s books over the past year. We would like to thank OWIL and BWIL for their support and faith in us as we concurrently work on executing our turnaround strategies to steer Oceanus back on track. We are still in active negotiations with OKGL, and hope to obtain the same support from them, which will allow us to start a new chapter on a clean slate.”

Following the Proposed Restructuring, should OKGL agree on the terms, Oceanus’ remaining debt under its three key creditors will decrease significantly from S\$81.43 million, representing 93.8% of Oceanus’ total debt balance (including accrued interest), to approximately S\$20.0 million.

OWIL and BWIL have also agreed to extend the termination date of the respective loan agreements from December 31, 2016 to December 31, 2018, and interest will cease to accrue on and from July 1, 2016.

To aid the Group's cash flow requirements in the interim, BWIL and Mr Peter Koh have committed to contribute S\$250,000 and S\$500,000 respectively, that will be used for the payment of professional advisors' fees relating to the Proposed Restructuring and to meet the Group's operational costs ("**Interim Funding**"). A six-month moratorium shall be imposed on the new shares issued pursuant to the Proposed Restructuring ("**New Shares**").

To meet the Group's ongoing working capital requirements following the completion of the Proposed Restructuring, the Group intends to engage new investor(s) and management to subscribe for new shares at a subscription price to be agreed, the proceeds of which will also form part of the Interim Funding.

*The Proposed Restructuring is subject to, inter alia, (a) the approval of a scheme of arrangement ("**Scheme**") by the requisite majority of Oceanus' creditors being obtained at a duly convened Court meeting; (b) the approval of the Scheme by the Court being obtained; (c) the approval-in-principle of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") being obtained for the listing and quotation of the New Shares; (d) a waiver in writing being obtained from the Securities Industry Council waiving the requirement of any creditor of Oceanus to make a mandatory takeover offer under Rule 14 of the Singapore Code on Takeovers and Mergers ("**Whitewash Waiver**"); (e) the approval of the requisite majority of the shareholders of Oceanus being obtained at a general meeting for, among other things, the Whitewash Waiver and the allotment and issuance of the New Shares; and (f) all other approvals and consents necessary or desirable for the Proposed Restructuring being obtained by Oceanus and/or each of its creditors.*

*This news release should be read in conjunction with the full text of the announcement by the Company dated September 8, 2016 (the "**Announcement**"). A copy of the Announcement is available on www.sgx.com.*

About Oceanus Group Limited

Oceanus Group Limited (“**Oceanus**”, and together with its subsidiaries, the “**Group**”), a company listed on the Mainboard of the SGX-ST, is the world’s largest land-based abalone producer with a vision to be a global premium seafood supply chain manager. Oceanus takes on a science-and-evidence-based approach to farming, embracing technology to monitor and analyse breeding parameters and statistics for effective farming. Working closely with leading institutions and universities, Oceanus is committed to producing quality and affordable premium seafood products through sustainable farming practices, innovation and research and development.

For more information, please visit <http://oceanus.com.sg/>.

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