NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400571K)

MEMORANDUM OF UNDERSTANDING WITH CHINA SHIPBUILDING INDUSTRY EQUIPMENT AND MATERIALS CO LTD

The Board of Directors (the "**Board**") of New Silkroutes Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 17 October 2016 entered into a memorandum of understanding ("**MOU**") with China Shipbuilding Industry Equipment and Materials Co Ltd., a company existing under the laws of the People's Republic of China, to jointly explore the possibility of cooperation in the areas of crude oil and petroleum products trade.

Under the terms of the MOU, which is non-binding, it is contemplated that Group will partner CSEMC in the procurement of crude oil and petroleum products from the Middle East and the Group will assist CSEMC to incorporate a company in Singapore to develop business activities in line with the "One Belt, One Road" initiative.

Save for their respective shareholdings in the Company, none of the directors of controlling shareholders of the Company has any interest, direct or indirect, in the MOU.

The Company will make such further announcements to inform shareholders of any updates or developments in due course.

Shareholders and potential investors of the Company should exercise caution when trading in the Company's shares. In particular, shareholders and potential investors of the Company should note that there is no assurance that any business activities or transactions mentioned in this announcement will materialise. Persons who are in doubt as to as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Lim Koon Hock
Joint Company Secretary

18 October 2016