OLS ENTERPRISE LTD.

(Company Registration Number: 196800320E)
(the "Company")

THE PROPOSED ISSUE OF 1% EQUITY LINKED REDEEMABLE STRUCTURED CONVERTIBLE NOTES DUE 2016

- **ALLOTMENT AND ISSUANCE OF SHARES PURSUANT TO THE CONVERSION OF THE SIXTH AND SEVENTH SUB-TRANCHE OF TRANCHE 1 NOTES IN THE AGGREGATE AMOUNT OF S$500,000**

Capitalised terms used herein shall have the same definitions ascribed to them in the Company's circular to shareholders dated 4 November 2013, unless otherwise stated or the context otherwise requires.

The Board wishes to announce that pursuant to the issuance of the Sixth and Seventh sub-tranche of the Tranche 1 Notes to the Subscriber, the Subscriber has, on 17 May 2016, exercised its right to convert the Sixth sub-tranche of Tranche 1 Notes in the aggregate principal amount of S$50,000 and Seventh sub-tranche of Tranche 1 Notes in the aggregate principal amount of S$450,000 respectively into 104,166,666 Conversion Shares, at the Floating Conversion Price of S$0.0048.

The Floating Conversion Price of S$0.0048 was determined by taking 80% of the average of three (3) consecutive Closing Prices per Share as selected by the Subscriber during the forty five (45) Business Days immediately preceding the Conversion Date (i.e 17 May 2016). The three (3) consecutive Closing Prices per Share selected are as follows:

	Share Price	**Date**
X	S$0.006	28 March 2016
Y	S$0.006	29 March 2016
Z	S$0.006	30 March 2016

$$\text{Floating Conversion Price} = \frac{X + Y + Z}{3} \times 0.80$$

$$= 0.0048$$

The 104,166,666 Conversion Shares represents 5.03% of the total enlarged share capital of the Company. With the issue and allotment of the 104,166,666 Conversion Shares, the total issued share capital of the Company shall be increased from 1,966,676,899 ordinary shares to 2,070,843,565 ordinary shares.

The Company will make further announcement on the date of the listing and quotation of the Conversion Shares on the SGX-ST.

BY ORDER OF THE BOARD
OLS ENTERPRISE LTD.

Koo Ah Seang
Executive Chairman
17 May 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Provenance Capital Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Wong Bee Eng, Chief Executive Officer, at 96 Robinson Road, #13-01, SIF Building, Singapore 068899.

Telephone (65) 6227 1580 Email: wongbe@provenancecapital.com