SINO CONSTRUCTION LIMITED

中华建筑有限公司

(Incorporated in the Republic of Singapore)
(Company Registration No. 200613299H)

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON 19 MAY 2015 WITH RESPECT TO THE COMPANY'S ANNOUNCEMENTS ON 29 APRIL 2015 ON ITS COMPANY'S ANNUAL REPORT 2014

The Board of Directors ("**Board**") of Sino Construction Limited (the "**Company**" and together with its subsidiaries the "**Group**") wishes to announce the following: -

Response to Queries

The Company would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 19 May 2015 with respect to the Company's announcements on 29 April 2015 on its Company's Annual Report 2014. Unless otherwise defined herein, terms defined in such announcements shall have the same definitions herein.

(1) Please explain why Renaissance has been classified as "shareholders in which certain directors have a controlling interest."

Renaissance is not considered a related party, as no directors have a direct interest. However, in this instance (in the interest of transparency and notwithstanding that the advances were interest-free), the Company classified the payment of $1.64 million as "a related party transaction", primarily because the payment was made by Quintestellar Re Capital Inc. ("**Quintestellar**") on behalf the Company. Quintestellar was then a controlling shareholder of the Company, which was controlled by a previous director of the Company.

(2) The reasons for the payment of S$1.64 million on behalf of shareholders to Renaissance;

$1.64 million payment was made based on a condition in the Sale & Purchase contract with Renaissance as 'working capital'.

(3) How the S$1.64 million was funded by the Company;

Quintestellar funded the payment, via an interest free advance to the Company.

(4) Details of when such payments were made and how Renaissance intends to utilize such proceeds;

Payments made:
June 2014 – US$1,000,000
July 2014 – US$ 240,000

As provided under the terms of the Sale and Purchase Agreement dated 29 April 2014 for the acquisition of the 19.9% stake in Renaissance, the payments were provided to Renaissance for working capital to advance the Turkish titanium assets.

(5) Who are the shareholders referred to in the statement "Payment by the Group on behalf of shareholders"; and

The "shareholders" refers to Quintestellar.

We will like to take this opportunity to correct the statement, due to an oversight, the statement should read "Payments **made by the** shareholders on behalf of the Group."

(6) To explain why the payment to Renaissance has been deemed as a related party transaction by the auditors in the Company's FY2014 Annual Report.

Refer to response in Question 1.

BY ORDER OF THE BOARD

Drew Ethan Madacsi
Executive Director
21 May 2015