

VIBROPOWER CORPORATION LIMITED

(Company Registration No.: 200004436E)
(Incorporated in the Republic of Singapore)
(the "**Company**")

UPDATE ON THE COAL-MINE METHANE (CMM) POWER PLANT IN SHANXI – NOTIFICATION RECEIVED BY THE GROUP

The board of directors (the "**Board**" or the "**Directors**") of the Company (together with its subsidiaries, the "**Group**") refers to the coal mine methane power generation project undertaken by the Company's wholly-owned subsidiary, Shanxi Weineng Coal Mine Gas Development Co., Ltd. ("**SXWN**"). As previously announced on 10 December 2015 and 16 December 2015, the power plant was fully operational and SXWN had entered into a power purchase agreement with the Shanxi State Grid, pursuant to which the Shanxi State Grid will purchase all electricity generated by SXWN's power plant.

As part of the operations of the power plant, SXWN had entered into a gas supply agreement with Shanxi Dongsheng Coal Mine Group Co., Ltd. ("**SDDS**"), the owner of a coal mine, pursuant to which SDDS supplies coal mine methane ("**gas**") to SXWN. The Board wishes to announce that SXWN has on 3 March 2017 received a notification from SDDS informing SXWN that the gas supply is unstable and notifying SXWN to prepare for suspension in gas supply. As a result, SXWN's power plant has suspended operations as at the date of this announcement which will result in the disruption of electricity supply to Shanxi power grid. SXWN is now in discussion with SDDS to resolve the issue over the supply of gas. Based on SDDS's representation, the suspension is due to ongoing upgrading works.

SDDS has also requested that SXWN increase the capacity of our power plant to compliment the increased in their supply of gas to SXWN, after completion of their upgrading works. Currently, SXWN is in the course of such upgrade to meet the increased in the supply of gas which will benefit the Group in future. The upgrades is expected to be completed by 2017. Funding for the upgrades will be from a combination of internal funds and bank borrowings.

The Group will continue to work closely with SDDS at the earliest opportunity and will keep its shareholders updated of any further material developments relating to the above by making further announcements.

While the financial effects of the above on the Group are not quantifiable at this stage, the Company expects the suspension of electricity supply to have an adverse impact in terms of contribution to the Group for the year 2017.

By Order of the Board

Benedict Chen Onn Meng
Chief Executive Officer
5 March 2017

Cautionary Statement Regarding Forward-Looking Statements

Information set out in this Announcement contains forward-looking statements, which involve a number of risks and uncertainties. These statements reflect the Group's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. The Group cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to, statements that

are not historical facts. These forward-looking statements should not be relied upon as predictions of future events as the Group cannot assure readers that the events or circumstances reflected in these statements will be achieved or will occur. The Group does not undertake any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.