

Further Disclosure in Response to Queries Raised by SGX

The board of directors (the "Board") of Memstar Technology Ltd. (the "Company") wishes to announce the information set out below in response to queries raised by the Singapore Exchange ("SGX") on 23 March 2018.

SGX's Query

1. On page 6 of the 2Q2018 Results, the Company disclosed that "The Company is engaged in ongoing negotiations with Longmen Group Ltd." Please disclose:
 - (i) The current status of operations of Longmen Group Ltd;
 - (ii) Whether the mine owned by Longmen Group Ltd is generating cash flow that will enable Longmen Group Ltd to repay the \$6.7million refundable deposit to the Company.
 - (iii) The details on any developments from the previous quarter to-date.

Company's Response

- (i) & (ii) The Company refers to the announcements dated 7 April 2016, 21 October 2016, 8 December 2016, and 3 October 2017. The Company is not aware of any further details regarding the status of Longmen Group Ltd's operations and its ability to repay the refundable deposit of S\$6.7 million.
- (iii) The Company had on 8 March 2018 announced that it has commenced legal proceedings against Longmen Group Ltd, the Vendors as well as other parties who were responsible for and/or conspired to cause loss to the Company.

By Order of The Board

Dr Ge Hailin
Non-Executive Director
26 March 2018