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

BUSINESS TIMES ARTICLE – "SINO CONSTRUCTION TURNING ITSELF INTO A GLOBAL RESOURCE PLAYER"

The Company refers to the article published on the Business Times earlier today entitled "Sino Construction turning itself into a global coal resource player" (the "**Article**"), and to queries from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") that certain statements attributed to Mr Andy Chee, Non-Executive Chairman of the Company, have not previously been announced or disclosed.

Shareholders should also refer to the Company's announcement on 25 September 2014 entitled "Proposed Diversification and Change of Name" for information on the Company's plans.

The Article

The quotes attributed to Mr Chee relate to the Company's plans following its transformation into a mineral and energy resources business, and its particular focus on coal resources. These plans, as attributed to Mr Chee in the Article, include:

(a) Focus on supplying the markets of China and India, the largest consumers of coal.

(b) The Company hopes to build a portfolio with up to 10 billion tonnes of coal in terms of resources and exploration targets.

(c) Plans to explore potential acquisitions of coal assets in Indonesia, a major global producer of coal, in the future due to the favourable trade arrangements between China and ASEAN.

(d) The four key factors the Company takes into consideration in deciding whether to enter a coal resource acquisition:

  (i) high grade thermal coal and coking coal;
  (ii) individual mine project life of at least 15 years;
  (iii) accessible infrastructure; and
  (iv) cost efficiency.

(e) Most of the coal assets already acquired or agreed to be acquired as at the date of this announcement are in the prospecting phase, the Company hopes to move to the next stage of selling proven coal reserves, through offtake arrangements or pursuing joint ventures to develop its assets.

(f) In addition to profitability, the Company hopes to achieve the highest possible internal rate of return (IRR) for its shareholders, which will be in the best interest of all shareholders.

The rest of the comments in the Article, whether related to the Company or not, were not made by the Company or persons involved in the management of the Company. The Company would like to clarify that the plans described in the Article are currently being explored as part of the Company's ongoing development and expansion strategies, which are further elaborations on the Company's announcement on 25 September 2014.

The Company wishes to emphasise it is constantly exploring and seeking business and acquisition opportunities that it feels will enhance shareholder value. However, these are preliminary plans only and may be subject to change depending on whether shareholder approval is received for the acquisitions it has announced[1], the takeover bid for Guildford Coal Limited being accepted by its shareholders, as well as external factors such as future business environment, regulatory considerations and economic climate.

The Company would also like to highlight certain factual inaccuracies in the article. The proposed new name of the Company is "Magnum Strategic Resources Limited" and the closing price on Tuesday was not 35 Singapore cents.

[1] Please refer to the announcements on 30 April 2014, 6 June 2014, 22 July 2014 and 24 September 2014 for information on the proposed acquisitions of/ investments in Renaissance Enterprises S.A., Signet Coking Coal International Limited, JEMS Exploration Pty Ltd and Guildford Coal.

Caution in Trading

None of the plans stated in the Article are finalised to date. The Company will issue further announcements to update shareholders on any developments, as and when they occur.

Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Andy Chee / Kenneth Lim
Chairman / Executive Director
19 November 2014