

JASPER INVESTMENTS LIMITED
(Company Registration No. 198700983H)

POTENTIAL BREACH OF:

- (A) FINANCIAL OBLIGATIONS UNDER THE JASPER EXPLORER BONDS**
 - (B) PAYMENT OBLIGATION IN RESPECT OF JASPER COSMOPOLITAN**
 - QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”)**
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The Board of Directors (the “**Board**”) of Jasper Investments Limited (the “**Company**”) refers to the Company’s announcement dated 22 August 2014 in respect of the above-captioned matters (the “**Previous Announcement**”). Unless otherwise defined, all capitalized terms used in this announcement shall bear the same meanings ascribed to them in the Previous Announcement.

In relation to the Previous Announcement, the SGX-ST has raised certain queries and the Company’s responses to the said queries are set out against each of them:

1. Financial Obligations under the Jasper Explorer Bonds

- (i) *It is disclosed that waiver has been sought from the bondholders for maintenance of a minimum liquidity by Jasper Offshore (Cyprus) Ltd and its subsidiaries of at least US\$10 million (the “**Liquidity Obligation**”) and the Management anticipates that the Liquidity Obligation will be breached by 31 August 2014 if this condition is not waived by the bondholders. How much is expected to be the shortfall in meeting the Liquidity Obligation? How is liquidity defined pursuant to the Liquidity Obligation?*

Company’s response: It is anticipated by the Management that the shortfall in meeting the Liquidity Obligation will be approximately US\$2.6 million. Liquidity pursuant to the Liquidity Obligation is defined under the terms and conditions of the Bonds as available free cash (i.e. the aggregate of, *inter alia*, (a) cash in hand or amounts standing to the credit of any current and/or deposit accounts of Jasper Offshore (Cyprus) Ltd and its subsidiaries (collectively the “**Jasper Offshore Group**”), and (b) time deposits of the Jasper Offshore Group).

- (ii) *Pursuant to the terms of the bond issue, is there an automatic grace period given to the Group to meet (a) the Liquidity Obligation and (b) the Interest Payment Obligation? If so, how long is the grace period? If not automatic, please clarify that the grace period is subject to further negotiation with the bondholders and that there is no certainty that a grace period will be granted.*

Company’s response: In respect of the Liquidity Obligation, the grace period for remedying the breach of such obligation is ten (10) business days after notice is given by the Bonds trustee to Jasper Explorer declaring that an event of default has occurred.

In respect of the Interest Payment Obligation, the grace period for remedying the breach of such obligation is five (5) business days following the original due date of the payment.

2. Payment Obligation in respect of Jasper Cosmopolitan

- (i) *What is the amount payable to Yiulian Shipyard (balance of contract sum and other payments due to Yiulian Shipyard)?*

Company's response: The amount payable to Yiulian Shipyard is approximately US\$70 million.

- (ii) *What is the audited net book value of the Jasper Cosmopolitan vessel as at 31 March 2014? If there is a forced sale of the Jasper Cosmopolitan vessel by Yiulian Shipyard, is it likely that the vessel would be sold at a significant discount to its latest audited net book value as in the case of the Jasper Explorer vessel?*

Company's response: The latest audited net book value of the Jasper Cosmopolitan vessel is US\$54.7 million as at 31 March 2014, representing the value of the hull and equipment bought in connection with the conversion project. Under the conversion contract entered into with Yiulian Shipyard, Jasper Cosmopolitan has paid US\$13 million with a balance outstanding payment of US\$70 million as mentioned above. In the event of a forced sale by Yiulian Shipyard as a result of the Non-payment Event and the Jasper Cosmopolitan vessel is sold at an amount that is significantly less than the total amount represented by the aforesaid audited net book value and the payments made and required to be made to Yiulian Shipyard, the Jasper Cosmopolitan vessel would be realised at a significant loss, thereby materially and adversely impacting on the net book value recorded for the Jasper Cosmopolitan vessel.

However, the Group intends to work collaboratively with Yiulian Shipyard on the sale process in the interests of enhancing the Jasper Cosmopolitan vessel's sale value.

- (iii) *Pursuant to the terms of the contract with Yiulian Shipyard, is there an automatic grace period given to the Group to meet this obligation? If so, how long is the grace period? If not automatic, please clarify that the grace period is subject to further negotiation with Yiulian Shipyard and that there is no certainty that a grace period will be granted.*

Company's response: There is no automatic grace period granted to Jasper Cosmopolitan to meet its obligations under the contract with Yiulian Shipyard as set out in the Previous Announcement. The grace period is subject to further negotiation with Yiulian Shipyard and that there is no certainty that a grace period will be granted.

BY ORDER OF THE BOARD

Paul Carsten Pedersen
Chief Executive Officer
25 August 2014