VALLIANZ HOLDINGS LIMITED

UPDATE ON USE OF PROCEEDS RAISED FROM ISSUE OF CAPITAL SECURITIES

The Board of Directors (the "**Board**") of Vallianz Holdings Limited (the "**Company**") refers to its previous announcements dated 3 October 2013, 13 November 2013, 17 February 2014, 24 February 2014, 12 March 2014 and 18 March 2014 in relation to, *inter alia,* the issue of redeemable convertible capital securities (the "**Capital Securities**") of a principal amount of US$35,200,000 (the "**Previous Announcements**").

Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings and construction as ascribed to them in the Previous Announcements.

The Board wishes to provide an update on the use of the proceeds raised from the issue of the Capital Securities. As of 26 March 2014, the Company has utilised US$22.3 million of net proceed raised from the issue of the Capital Securities for acquisition of new vessels, thus leaving a balance of US$12.9 million.

The use of proceeds is in accordance with the intended use and in line with the percentage allocation disclosed in the announcement dated 03 October 2013.

By order of the Board

Yeo Chee Neng
Chief Executive Officer
26 March 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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