
**GRANT OF EXTENSION OF TIME TO APPOINT AN ADDITIONAL INDEPENDENT DIRECTOR
RESIDENT IN SINGAPORE**

The Board of Directors of Sunshine Holdings Limited (the “**Company**”) wishes to announce that the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) has on 29 February 2012 granted the Company’s application for an extension of time up to 7 April 2012 to comply with Rule 221 and Rule 704(8) of the SGX-ST Listing Manual (the “**Application**”).

On 6 June 2011, the late Mr. Ho Wah Onn (“**Mr. Ho**”), then an independent director and a member of the audit committee of the Company, passed away. As a result of his demise, the audit committee does not currently have the minimum of three (3) members as required under Rule 704(8). In addition, his demise had also resulted in the Company not being able to fulfil the requirement under Rule 221 of having at least two independent directors who are resident in Singapore.

Since the demise of the late Mr. Ho, the Company has been in search for a suitable replacement with a view towards increasing the number of members of the audit committee to three as required under Rule 704(8) and having two independent directors who are resident in Singapore. However, as the Company has been working towards the expansion of its core business into the mining sector, specifically, the mining sector in the People’s Republic of China, the nominating committee has recommended that a suitable candidate would be an independent person who, apart from being conversant in both spoken and written English and Chinese as well as having an adequate understanding of the Chinese business culture, has some experience in the mining sector. It has been noted that the mining industry is highly specialised and it would be an opportune time for the Company to appoint an independent director with some level of connected experience and/or knowledge.

The Company has, since the commencement of the search, met with a few potential candidates. Unfortunately none of them fits the desired criteria. The search is made more difficult by the fact that the suitable candidate has also to be a person resident in Singapore. The sudden demise of the late Mr. Ho had also resulted in a shorter reactionary time available for the Company to find a replacement.

An application was submitted by the Company to obtain an extension of time to search for and appoint a suitable candidate to replace the late Mr. Ho as an independent director and a member of the audit committee, so as to be in compliance with the aforementioned rules.

The Company is pleased to inform Shareholders that the SGX-ST has granted the Company an extension of two months to 7 April 2012 for the Company to appoint an additional independent director resident in Singapore.

The SGX-ST’s grant of extension of time with regard to compliance with Rules 221 and 704(8) is subject to the following:

1. The Company announcing the period of extension granted;
2. The reasons for seeking the extension of time; and
3. The conditions as required under Rule 107 of the SGX-ST Listing Manual.

The Company will make such further announcement(s), as appropriate to keep shareholders updated on the appointment of the additional independent director resident in Singapore.

BY ORDER OF THE BOARD

GuoYinghui
Chairman and CEO
29 February 2012