



METAX ENGINEERING CORPORATION LIMITED

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METAX ENGINEERING CORPORATION LIMITED

(Incorporated in the Republic of Singapore under Registration Number 197500111H)

JOINT VENTURE

The Board of Directors of Metax Engineering Corporation Limited (the “**Company**”) refers to the announcement on 1 April 2010 wherein it was informed that the Company’s subsidiary, Oiltek Sdn. Bhd. (“**Oiltek**”) had entered into an agreement with Novaviro Technology Sdn. Bhd. (“**Novaviro**”), pursuant to which a joint venture company will be registered in Malaysia.

The Board wishes to announce that the joint venture company, Oiltek Nova Bioenergy Sdn. Bhd. (the “**JV Company**”), has been registered with an initial issued and paid-up capital of RM200,000, of which Oiltek contributed RM130,000 (65%) and Novaviro contributed RM70,000 (35%). Accordingly, the JV Company is a subsidiary of the Company.

The JV Company will be involved in the business of designing, building and supplying of biogas recovery systems to palm oil mill effluent plants in Malaysia and Indonesia as well as in the design and supply of systems which utilise the biogas produced. All necessary financing of the JV Company shall be by way of internal funding, bank financing and/or project financing or any other mode as may be undertaken by the Group as and when required.

The aforesaid joint venture is not, in itself, expected to have any material impact on the earnings and net tangible assets per share of the Company for the current financial year ending 30 June 2010. However, the Company will provide updates as and when there are material developments in relation to the business of the JV Company, as described above.

None of the Directors, and as far as the Directors are aware, none of the controlling shareholders of the Company, has any interest, direct or indirect, in the aforesaid transaction, save through his shareholding (if any) in the Company.

By order of the Board

Tan Tze Wen
Managing Director
30 June 2010

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**Exchange**”). The Company's Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes 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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