



METAX ENGINEERING CORPORATION LIMITED

28 Third Lok Yang Road, Singapore 628016

Tel: (65) 6265 9422 Fax: (65) 6265 6630

Website: www.metax.com

Email: mail@metax.com

METAX ENGINEERING CORPORATION LIMITED

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

SETTLEMENT OF LEGAL PROCEEDINGS

Reference is made to the Company's announcement dated 8 July 2010 informing that the Company had been served with a writ of summons (the "**Writ**") filed by Goldharvest Pte. Ltd. ("**Goldharvest**"), The Company and its subsidiary, WS Bioengineering Pte. Ltd. ("**WS Bio**"), were named as defendants in the Writ.

The Company wishes to inform its shareholders that pursuant to the terms of a settlement agreement (the "**Settlement Agreement**"), which was entered into between the Company, WS Bio and Goldharvest on 16 March 2011, Goldharvest has agreed to sell and the Company has agreed to purchase 52 shares in the issued share capital of WS Bio (being all the shares owned by Goldharvest in the share capital of WS Bio) at a consideration of S\$1,500,000.

Goldharvest shall file and serve on the Company a notice of discontinuance in respect of the Writ.

The Board of Directors of the Company is of the view that the execution of the Settlement Agreement is in the best interest of the Group as this will result in the full and final settlement of all outstanding legal disputes with Goldharvest.

By Order of the Board

Tan Tze Wen
Managing Director
21 March 2011

*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.

*The contact person for the Sponsor is Mr Ng Joo Khin:
Telephone number: 6389 3000 Email: jookhin.ng@stamfordlaw.com.sg*