

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company registration no.: 200802235C)

**PROPOSED JOINT VENTURE BETWEEN MENCAST HOLDINGS LTD. (THE "COMPANY"),
BECKER MARINE SYSTEMS GMBH & CO. KG AND MACHINEFABRIEK AMERSFOORT B.V.
(THE "JOINT VENTURE")**

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Company's announcements dated 5 November 2008, 6 January 2009, 11 March 2009 and 31 December 2009 relating to the Joint Venture (the "JV Announcements").

Further to the JV Announcements, the board of directors of the Company wishes to announce that the Company, Becker Marine Systems GmbH & Co. KG and Machinefabriek Amersfoort B.V. has today entered into the 3rd Supplemental Letter in relation to the MOU to extend the deadline to enter into the formal agreement in relation to the Joint Venture to 31 December 2010.

The Company will make further announcements relating to the Joint Venture once the formal agreement has been entered into.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE

Executive Chairman and Chief Executive Officer

5 January 2010

This announcement and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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 Mah Kah Loon, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.