



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)

JOINT VENTURE

The Board of Directors of Metax Engineering Corporation Limited (the “**Company**”) wishes to announce that the Company has entered into an agreement with Asia First Capital Pte. Ltd. (“**AFC**”) and Mr Isaac Koo Kok Kee, pursuant to which a joint venture company (the “**JV Company**”), under the name “Metax Resources Pte. Ltd.”, has been registered in Singapore.

The JV Company has an initial issued and paid-up capital of S\$100,000, of which the Company has contributed S\$55,000 and holds 55% shareholding, and AFC has contributed S\$45,000 and holds 45% shareholding. AFC is wholly-owned by Mr Isaac Koo Kok Kee. Accordingly, the JV Company is a subsidiary of the Company. The board of directors of the JV Company comprises Mr Tan Tze Wen, the Managing Director of the Company, and Mr Isaac Koo Kok Kee, a director of AFC.

The joint venture is in line with the Company's plans to diversify into new resources-related businesses. The JV Company shall be engaged in the procurement of sea sand and the supply thereof to the Company, as well as other resources-related businesses. The tendering for contracts to supply sea sand shall be made under the name of the Company while Mr Isaac Koo shall carry out the work related to the tenders in consultation with the Company. Mr Isaac Koo shall also oversee the sea sand supply business of the Company. The JV Company may also supply sea sand to third parties.

All necessary financing of the JV Company shall be by way of bank financing and/or project financing or any other mode as may be undertaken by the Company 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 joint venture, save through his shareholding (if any) in the Company.

By order of the Board

Tan Tze Wen
Managing Director
20 October 2009

*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*