

ANNOUNCEMENT

PLACEMENT OF 46,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF EMS ENERGY LIMITED (THE "SHARE PLACEMENT") AT AN ISSUE PRICE OF S\$0.065 FOR EACH SHARE – USE OF PLACEMENT PROCEEDS

The Board of Directors of EMS Energy Limited (the "Company") wishes to announce the following details on the use of placement net proceeds:

The net proceed of S\$2,857,000 raised during the recent placement of 46,000,000 new shares in the Company on 31 December 2009 has all been utilized for the following purposes:

- (i) approximately S\$2,429,300 has been utilized for working capital inclusive of overheads of the Group, down payments and instalment payment for materials and engineering equipment;
- (ii) approximately S\$132,700 for expenses incurred in connection with the Placement; and
- (iii) the remaining has been utilized as business expansion in the areas of developing new engineering capabilities.

	S\$
Gross proceeds from share placement	2,990,000
Placement expenses	(132,700)
Net proceeds from share placement	<u>2,857,300</u>
 <u>Use of Proceeds:</u>	
General Working capital	2,429,300
Business expansion	428,000
	<u>2,857,300</u>

By order of the Board
EMS Energy Limited

Gwendolyn Gn Jong Yuh
Company Secretary
30 March 2010

This announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd., for compliance with the relevant rules of 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 details of the contact person for the Sponsor is: -

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