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COURAGE MARINE GROUP LIMITED

勇利航業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: E91.SI)

DISCLOSEABLE TRANSACTION ACQUISITION OF VESSEL – MV CHINA ACT

On 7 August 2012, Cape Ore, an indirect wholly-owned subsidiary of the Company, entered into the MOA with China Partners in relation to the acquisition of a vessel, MV China Act, for a total cash consideration of US\$6,650,000.00 (equivalent to approximately HK\$51,870,000.00).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, China Partners and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

Cape Ore, an indirect wholly-owned subsidiary of the Company, is a company incorporated in Panama with limited liability and is principally engaged in the provision of marine transportation services.

The Acquisition constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

* For identification purposes only

MOA

Date: 7 August 2012

Parties: (1) Seller : China Partners

(2) Buyer : Cape Ore

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, China Partners and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

Asset to be disposed:

Pursuant to the MOA, Cape Ore has agreed to buy and China Partners has agreed to sell MV China Act which is a capesize vessel with carrying capacity of approximately 151,688 dwt and beneficially owned by China Partners.

Consideration:

The total cash consideration for the Acquisition is US\$6,650,000.00 (equivalent to approximately HK\$51,870,000.00) and shall be payable by Cape Ore to China Partners in the following manner:

- (1) a deposit of 10% of the Consideration shall be lodged in the bank account nominated by China Partners within 3 Banking Days after receipt of the signed MOA by fax/email in PDF form; and
- (2) the balance of the Consideration shall be paid by Cape Ore to China Partners not later than 1 Banking Day prior to estimated date of delivery of MV China Act.

It is intended that the Consideration will be funded by internal resources of the Group.

The Consideration was arrived at after arm's length negotiations between Cape Ore and China Partners with reference to market intelligence the Company has gathered from its own analysis of recently concluded sale and purchase transactions of vessels of comparable size and year of build in the market. The Directors consider the terms and conditions of the Acquisition to be fair and reasonable and are in the interests of the Group and the shareholders of the Company as a whole.

Delivery of MV China Act

MV China Act is to be delivered between 24 August 2012 and 30 September 2012 and Cape Ore has an option to cancel the MOA if delivery of MV China Act shall not take place by 30 September 2012.

Within 3 Banking Days after the notice of readiness is tendered by China Partners in accordance with the MOA, China Partners shall procure physical delivery of MV China Act and documents relating to the Acquisition to Cape Ore. The Directors currently expect that delivery of MV China Act will take place on or about 30 August 2012.

INFORMATION ON MV CHINA ACT

MV China Act is a capesize vessel with carrying capacity of approximately 151,688 dwt. Its flag state is Hong Kong and was inspected and classified by American Bureau of Shipping for purpose of safety classification society.

INFORMATION ON CHINA PARTNERS

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, China Partners is a company incorporated in ROC with limited liability and is principally engaged in the business of ship operating and chartering.

INFORMATION ON THE GROUP

The principal activity of the Company is that of an investment holding company and the principal activities of the Group are provision of marine transportation services, property holding, investment holding and provision of administration services.

REASONS FOR THE ACQUISITION

The Company has been endeavouring to renew its fleet by acquiring newer vessels in place of the older vessels. The Company has previously completed a series of disposal of old vessels and the proceeds of such sales are intended for acquiring further vessels when the right opportunity arises in future.

The Company considers that the right opportunity has arisen and the current market situation is suitable for it to further acquire a younger vessel to strengthen its fleet. The Directors believe that the terms of the MOA are entered into upon normal commercial terms following arm's length negotiations between the parties and the terms of the MOA are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

LISTING RULES IMPLICATION

As the relevant percentage ratio(s) calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Acquisition”	the acquisition of MV China Act by Cape Ore subject to and upon the terms and conditions of the MOA
“Banking Day”	a day on which banks are open both in Taiwan and Hong Kong for business
“Cape Ore”	Cape Ore Marine Corp., a company incorporated in Panama with limited liability, an indirect wholly-owned subsidiary of the Company and the buyer under the MOA
“Capesize”	dry bulk vessels size range as 100,000 dwt or larger
“China Partners”	China Partners Shipping Limited, a company incorporated in ROC with limited liability and the seller under the MOA
“Company”	Courage Marine Group Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange and on Singapore Exchange Securities Trading Limited
“Consideration”	a total cash consideration of US\$6,650,000.00 (equivalent to approximately HK\$51,870,000.00) payable by Cape Ore to China Partners
“Directors”	the directors of the Company
“dwt”	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship’s carrying capacity, including bunker oil, fresh water, crew and provisions
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“MOA”	a memorandum of agreement dated 7 August 2012 entered into between Cape Ore as buyer and China Partners as seller
“MV China Act”	MV China Act, a capesize vessel with carrying capacity of approximately 151,688 dwt and beneficially owned by China Partners
“ROC”	Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
Courage Marine Group Limited
Hsu Chih-Chien
Chairman

Hong Kong, 7 August 2012

For the purpose of this announcement, unless otherwise specified, conversion of United States dollars into Hong Kong dollars are based on the approximate exchange rates of US\$1.00 to HK\$7.80. The exchange rate is for illustration purpose only and do not constitute a representation that any amounts have been, could have been or may be exchanged at this or any other rates at all.

As at the date of this announcement, the managing Director is Mr. Wu Chao-Huan, the Chairman and non-executive Director is Mr. Hsu Chih-Chien, the non-executive Directors are Mr. Sun Hsien-Long and Mr. Chang Shun-Chi, the independent non-executive Directors are Mr. Lui Chun Kin, Gary, Mr. Sin Boon Ann and Mr. Chu Wen Yuan.