

PACIFIC RADIANCE LTD.
COMPANY REGISTRATION NO. 200609894C

**UPDATE ON ARBITRATION FOR THE RESCISSION OF SHIPBUILDING
CONTRACTS FOR TWO PLATFORM SUPPLY VESSELS**

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the announcement dated 21 November 2016, entitled “Arbitration Proceedings for the Rescission of Shipbuilding Contracts for Two Platform Supply Vessels”

The Board of Directors of Pacific Radiance Ltd. (the "**Company**") refers to the announcement released on 21 November 2016 (the "**Announcement**") in relation to the Arbitrations commenced by its joint venture company, CAOI, against the Shipyards.

Further to the Announcement, the Board wishes to announce that on 29th June 2017 the Shipyards have contested the claims and assert counterclaims against CAOI in each of the Arbitrations which include payment of the balance of the contract price unpaid and/or damages plus interest and costs.

The Arbitrations are currently at their early stages. Further announcements will be made by the Board at the appropriate junctures in the event of any material developments in relation to the Arbitrations.

The Arbitrations are not expected to have any material impact on the Company's net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2017.

By Order of the Board of
Pacific Radiance Ltd.

Pang Yoke Min
Executive Chairman

30 June 2017