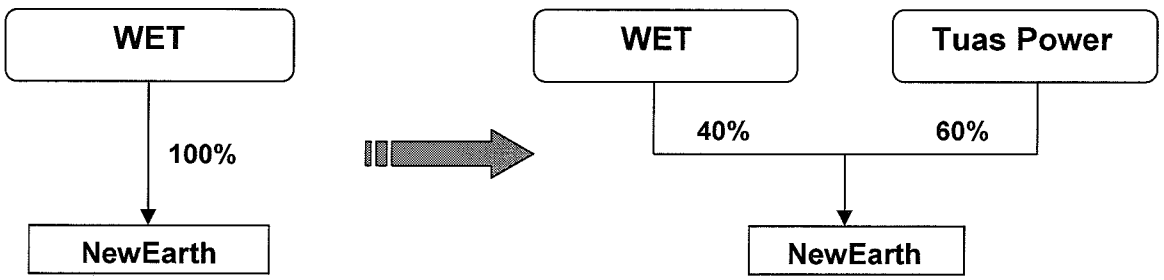
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Beng Kuang Marine partners Tuas Power Ltd in waste management

- **Tuas Power obtains 60% stake in environmental recycling firm, NewEarth**

Singapore, 2 July 2007 – Beng Kuang Marine Limited ("**BKM**") or "明光海事" and its subsidiaries (the "Group"), together with Tuas Power Ltd ("Tuas Power"), a major player in Singapore's electricity industry, have established a strategic joint venture in NewEarth Pte Ltd ("NE").

WET, a subsidiary of BKM and the holding company of NE will dispose of 25,045 ordinary shares in the capital of NE to Tuas Power for a consideration of S$1 million. In addition, NE will issue and allot 225,390 ordinary shares to Tuas Power for a consideration of S$9 million. Consequently, WET's equity interest in the capital of NE will be reduced from 100% to 40%.



"Currently, there are more than a million ton of industrial waste generated each year in Singapore. Both Tuas Power and ourselves see immense potential in the environmental recycling business."

Mr Chua Beng Kuang, Managing Director

"As part of our growth plan, Tuas Power seeks synergistic business opportunities that will expand our scope of services and build up our capabilities as a diversified solutions provider in the electricity, utilities and environmental services. The business of NewEarth is in line with Tuas Power's objectives of growing our business in environment-friendly technologies, which began with our provision of trigeneration services in November last year."

Mr Ben Lau, Vice President (Business Development), Tuas Power Ltd

Pursuant to the arrangement, Tuas Power and WET will be incorporating a new company to engage in the business of water and wastewater treatment on terms and conditions as mutually agreed by both parties.

NewEarth

NE has developed and completed the pilot-testing phases of its "Crystallisation Technology" ("CT"), which enables the stabilisation of heavy metals commonly found in many industrial wastes. The technology can transform industrial waste into environmentally safe products like building bricks, paving blocks and synthetic aggregates.

NewEarth Singapore Pte Ltd ("NES") was previously established by NE as a commercial vehicle to own, build and operate commercial waste treatment plants in Singapore. The construction of the first commercial plant is expected to commence in 4Q2007 with operations beginning in 4Q2008. When fully operational, the plant would be able to process approximately 10,000 tons of waste materials monthly.

Singapore Waste Management Industry

In Singapore, majority of the non-recyclable waste is incinerated or disposed of at Pulau Semakau Landfill, together with the resulted ash from the incineration.

One of the environmental initiatives undertaken by Singapore includes the Singapore Green Plan 2012, which is to promote waste reduction and recycling by adopting a policy of waste incineration to reduce waste volume and encouraging recycling. The Singapore Green Plan 2012 targets to increase the overall waste recycling rate to 60% by 2012 and is also working towards a "zero landfill".

With the possession of the relevant technology, NE can transform industrial waste materials into environmentally friendly value-added products that can be used in

construction, reclamation and road building. This would in effect reduce disposal as landfill, as well as reduce reliance on imported raw materials such as stones and sands, especially after Indonesia's ban on sand exports.

The acquisition and subscription of NE shares by Tuas Power is expected to have positive impact on the consolidated net tangible assets of the Group for the current financial year.

--- The End ---

About Beng Kuang Marine Limited

Beng Kuang Marine Limited ("BKM") and its subsidiaries (the "Group") are established providers of corrosion prevention ("CP") services, infrastructure engineering ("IE") services, as well as the supply and distribution ("SD") of hardware equipment and tools to the marine and offshore oil and gas industries. The CP and SD divisions have always been the main revenue drivers of the Group. However, with the rapid growth in shipbuilding and rig building projects, BKM expects the IE division to be a key growth driver in the future. For the IE division, BKM provides turnkey engineering services from planning, project management to implementation involving fabrication, corrosion prevention, testing, installation and pre-commissioning of steel work modules and structures for customers in the oil and gas industry. Recently, with the new acquisition of WET, BKM will also be looking at business opportunities to expand the environmental and resource ("ER") division.

For more information, please refer to the website, www.bkmgroup.com.sg

About Tuas Power Ltd

Tuas Power Ltd is a major player in the electricity and multi-utilities markets, with businesses in electricity generation, trading and retail. It currently contributes to 25% of electricity generated in Singapore and serves several large companies through its electricity retailing business. In November 2006, Tuas Power began providing multi-utilities services through the development of trigeneration plants for its clients. The Company is building up its capabilities to be a diversified energy solutions provider in the energy, utilities and environmental services.

For more information, please refer to the website, www.tuaspower.com.sg

About Water and Environmental Technologies (WET) Pte Ltd

WET was incorporated in Singapore on 27 August 2002 with the aim of engaging business opportunities in the field of water and wastewater treatment and re-utilisation. WET strength lies in its R&D capabilities and its R&D programs are funded by its partners and shareholders and supported through grants from Surbana International Consultants Pte Ltd and Economic Development Board (EDB).. In 2004, WET enhanced its R&D capabilities in the environmental field with the acquisition of NewEarth which specialises in the areas of industrial solid waste management and recycling. Besides the "Crystallisation Technology", WET is currently developing a new process for municipal and industrial wastewater treatment and non-firing methods of solid waste treatment. In the future, WET aims to venture into other fields of environmental.

Issued for and on behalf of Beng Kuang Marine Limited

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