

JASPER INVESTMENTS LIMITED
(Company Registration No. 198700983H)

UPDATE ON NEPTUNE GROUP LOANS

Further to the Company's announcements on 10 April 2009 and 4 May 2009 (*Earlier Announcements*), the Company wishes to provide the following updates. All capitalised terms in this announcement shall have the respective meanings ascribed to them in the Earlier Announcements.

Existing Bridging Loan from Standard Bank

Following negotiations with Standard Bank, Turquoise Offshore Pte Ltd (*Turquoise*), a wholly owned subsidiary of the Company, has entered into an agreement dated 11 May 2009 with Standard Bank to acquire US\$150,000,000 of the outstanding principal sum of the Standard Bank Bridging Loan, together with accrued interest of approximately US\$16 million on 11 May 2009. The remaining principal sum of US\$20,000,000 will be acquired by 1 June 2009.

Simultaneously with the acquisition of the Standard Bank Bridging Loan, the rights and benefits under the loan, together with all related security interests securing the repayment of the Standard Bank Bridging Loan, will be transferred to Turquoise. These security interests include, *inter alia*, a first legal mortgage on the Explorer and a pledge of shares in NMD. Upon completion of the acquisition of the remaining principal sum of US\$20,000,000, Turquoise intends to extend the repayment date on the loan to 30 June 2009, subject to the outcome of NMI's discussions with its other lenders.

To finance the acquisition of the Standard Bank Bridging Loan, the Company has also entered into an agreement dated 11 May 2009 with its controlling shareholder, Morton Bay (Holdings) Pte Ltd (*Morton Bay*) to provide an unsecured shareholder's loan of approximately US\$186 million to the Company (*Morton Bay Loan*), the proceeds of which will then be on-lent to Turquoise for it to acquire the Standard Bank Bridging Loan. The repayment date of the Morton Bay Loan is 30 June 2009.

Morton Bay will charge the Company interest on the Morton Bay Loan, which will be similar to that charged to NMI under the Standard Bank Bridging Loan. The Morton Bay Loan is therefore an interested person transaction under Chapter 9 of the SGX-ST Listing Manual. However, as the Morton Bay Loan falls within the ambit of the general interested person transactions mandate approved by shareholders of the Company at an extra-ordinary general meeting held on 24 December 2008, no further approval is required from shareholders of the Company for the Morton Bay Loan. The Audit Committee of the Company has reviewed and approved the proposed terms of the Morton Bay Loan.

The acquisition of a majority position in the Standard Bank Bridging Loan today will avoid an immediate acceleration of the loan caused by the payment default by NMI, which would have adversely affected the Group's financial position.

Status of negotiations with other lenders

Further to the Earlier Announcements, the Neptune Group is still in negotiations with the lenders under the Term Loan Facility for their waivers of the existing breaches arising from the cancellation of the charter contract with Reliance Industries Limited under the terms of the Term Loan Facility. The lenders had requested for certain information, including the status of the Standard Bank Bridging Loan, which NMI is in process of preparing for the lenders.

The Company is of the opinion that the continuing financial support of Morton Bay, which has enabled the acquisition of the Standard Bank Bridging Loan by Turquoise, will be viewed positively by other lenders of the Neptune Group.

Supplementary OIS

The Company intends to lodge the Supplementary OIS with the Monetary Authority of Singapore (*MAS*) shortly with the Closing Date of the Rights Issue expected to be no later than 28 May 2009.

A further announcement will be made by the Company when the Supplementary OIS is lodged with the MAS.

By Order of the Board

11 May 2009