

**COMAT INDUSTRIAL LTD.**

(Incorporated in Singapore on 18 August 2004)

(Company Registration Number: 200410428C)

**PROPOSED PLACEMENT OF UP TO 7,000,000 NEW ORDINARY SHARES (THE "PLACEMENT SHARES") IN THE CAPITAL OF COMAT INDUSTRIAL LTD.**

The Board of Directors of Comat Industrial Ltd. (the "Company") wishes to announce that further to the Company's announcement on 4 July 2006, the Company has completed the placement of 7,000,000 new ordinary shares in the share capital of the Company at the placement price of S\$0.17 per Placement Share today.

**BY ORDER OF THE BOARD**

Submitted by Guo Yun, Director on 17 July 2006 to the SGX-ST.