



MDR Limited

MDR LIMITED

(Company Registration No. 200009059G)

ISSUE AND ALLOTMENT OF SHARES TO KORDAMENTHA PTE LTD AND NEO BAN CHUAN

1. The Board of Directors of mDR Limited (the **%Company+**) wishes to announce that the Company had on:
 - (i) 15 March 2011 appointed KordaMentha Pte Ltd (**%KordaMentha Singapore+**) to assist the Company with (a) the winding up of certain subsidiaries; and (b) certain work to be carried out in connection therewith (collectively the **%Winding Up Exercise+**); and
 - (ii) 18 March 2011, appointed KordaMentha Singapore to, *inter alia*, co-ordinate the work of the professional advisers in completing a proposed acquisition of up to 33,333,320 ordinary shares in Distribution Management Solutions Pte. Ltd. from Mr. Ong Ghim Choon, the Company's Chief Executive Officer and Executive Director (**%Proposed Acquisition+**).
2. The fees in respect of the Winding Up Exercise and the Proposed Acquisition are S\$180,000 and S\$330,000, respectively (collectively, the **%Advisory Fees+**).
3. Pursuant to the terms of the above appointments, the Advisory Fees shall be payable by the Company by the issuance of such number of shares in the company (**%Advisory Shares+**) based on the volume weighted average price of shares for trades done on the Singapore Exchange Securities Trading Limited (**%SGX-ST+**) for full market day on the respective date of appointment. The volume weighted average price for trades done on each date of appointment (i.e., 15 March 2011 and 18 March 2011) is S\$0.005. Based on the issue price of S\$0.005, the Company is required to issue an aggregate of 102,000,000 Advisory Shares in settlement of the Advisory Fees.
4. Pursuant to a request made by KordaMentha Singapore, the Company will issue and allot 57,000,000 of the 102,000,000 Advisory Shares to Mr. Neo Ban Chuan, a partner of KordaMentha Singapore, in accordance with an agreement between Mr. Neo Ban Chuan and KordaMentha Singapore. The balance 45,000,000 Advisory Shares will be issued and allotted to KordaMentha Singapore.
5. Based on the issued share capital of the Company of 3,748,616,632 Shares as at the date of this Announcement and assuming no issue of new shares up to the time of issue of the Advisory Shares, the issued share capital of the Company would increase to 3,850,616,632 Shares pursuant to the issue of the Advisory Shares. The Advisory Shares represents approximately 2.65% of the enlarged share capital of the Company.
6. The Advisory Shares will be issued pursuant to the authority granted by the share issue mandate approved by the shareholders of the Company at the annual general meeting held on 30 April 2010.
7. The Company will be making an application to the SGX-ST for the listing and quotation of the Advisory Shares on the Official List of the SGX-ST in due course and would make the necessary announcements once the listing and quotation notice from the SGX-ST is received.

By Order of the Board
mDR Limited

Philip Eng Heng Nee
Director
11 April 2011

