



GRAND BANKS YACHTS LIMITED

(Company Reg. No.: 197601189E)

**RECEIPT OF ORIGINATING SUMMONS
IN RESPECT OF VOTING RIGHTS OF PLACEMENT SHARES**

The Board of Directors ("**Board**") of Grand Banks Yachts Limited ("**Company**") wishes to announce that the Company has been served an Originating Summons by the lawyers acting for Mr Cheng Lim Kong ("**Originating Summons**").

In the Originating Summons, Mr Cheng has applied to the Singapore High Courts for a declaration that the 19.2 million placement shares issued by the Company on 25 September 2012 to Exa Limited and Mr Koh Cheng Keong should not carry any voting rights for the purposes of the Company's extraordinary general meeting to be held on 10 October 2012 and the Company's annual general meeting to be held in respect of the financial year ended June 2012 ("**Application**").

The Application is scheduled to be heard before the Singapore High Courts on 2 October 2012 and the Board has instructed solicitors to defend the Application.

The subject matter of the Application was raised by Mr Cheng previously and details can be found in the Company's Letter to Shareholders on 25 September 2012.

The Board is of the view that the Application is without merit and will keep shareholders posted of further material developments.

By Order of the Board

GRAND BANKS YACHTS LIMITED

1 October 2012