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Media Release – For immediate release

Courage Marine 9 months revenue up 127%

- **Turnover up 54% at US$8.5 million in 3Q due to higher fleet utilization and increase in capacity of the Group's fleet**
- **Strong balance sheet with net cash position (cash and bank balances) of approximately US$26.9 million**

Hong Kong and Singapore, 12 Nov 2010 – Courage Marine Group Limited ("Courage Marine" or the "Group"), an established dry-bulk shipping company that transports raw materials for Asia's growing energy needs, reported its financial results for the nine months ended 30 September 2010 ("9mo2010").

Financial Highlights

US$'000	***3Q2010***	**3Q2009**	**% Change**	***9mo2010***	**9mo2009**	**% Change**
Turnover	*8,474*	5,506	54	*37,604*	16,556	127
Gross (loss) profit	*843*	(2,264)	NM	*9,964*	(3,245)	NM
Gross profit margin	*10%*	-	-	*26%*	-	-
Other operating incomes	*147*	579	(75)	*456*	1,315	(65)
Gain on disposal of equipment	*563*	-	-	*805*	283	184
(Loss) Profit for the Period	*812*	(1,432)	-	*9,013*	(2,873)	NM
Net profit margin	*10%*	-	-	*24%*		-

NM: Not meaningful

Financial Review

The Group's turnover in 3Q2010 increased 54% to US$8.5 million, while in the first 9 months of 2010 it rose 127% to US$37.6 million compared with the same period a year earlier. These top line improvements are mainly due to increase in capacity of the Group's fleet and better fleet utilization of around 90% in 3Q2010 given higher demand from the commodity trading especially in Greater China, compared to fleet utilization of around 51% in 3Q2009. The BDI saw some fluctuation and is currently around the 2,500 level.

Despite the increase in 3Q2010 turnover by 54%, the cost of sales decreased by 2% to approximately US$7.6 million. As such, the Group recorded a gross profit of US$0.8 million in 3Q2010 as compared to gross loss of US$2.3 million in 3Q2009. Correspondingly, the Group achieved a gross profit margin of 10% for 3Q2010.

The Group disposed of Handysize vessel, MV Jeannie III, in August 2010 and recorded a gain on disposal of approximately US$600,000. The Group did not have any disposal of assets in 3Q209.

(US$'000)	30 Sept 2010	31 Dec 2009
Plant and equipment	73,633	54,876
Total debt	4,400	6,800
Cash and cash equivalent	26,857	43,159
Total equity	114,255	110,239
Gross gearing	3.9%	6.2%
Net gearing	Net cash	Net cash

The net decrease in cash and cash equivalents of approximately US$16.3 million from US$43.2 million as at 31 December 2009 to US$26.9 million as at 30 September 2010 was due to acquisition of three vessels, the office premises in Hong Kong, repayment of bank borrowings and dividend payouts. However, the cash flow from operations remained robust at US$4.2 million in 3Q2010 and the Group maintained a net cash position gearing wise.

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Looking Forward

The global economy is gradually recovering from the financial crisis. The Asian economies, particularly China, has remained robust. Dry bulk shipping is a highly leveraged play on Chinese property construction, as China makes up almost 50% of global steel production, over 50% of which is used in construction.

Freight rates have been volatile in the past few months. The BDI dropped from 4,200 in May to 2,000 in 3Q2010 and is currently around 2,500. We continue to see BDI experiencing high levels of volatility within its trading range. This is primarily driven by the perishable nature of commodities.

The Group took delivery of 2 vessels, a Panamax size and a Capesize, in the first half of 2010 and disposed of its oldest vessel MV Jeannie III, in the 3Q of 2010. The updated tonnage of the fleet is around 580,000 dwt. With the increase in capacity, the Group expects to have higher turnover as the economy recovers.

"In recent years, Chinese shipyards business has been going strong and generated lots of vessel supply in the market. On the other hand, higher iron ore prices create more domestic supply and lower demand for seaborne iron ore into China. As a result, the dry bulk freight rate has gone sideways to down. According to a forecast from Barclay Capital, they expect the BDI to average around the 2,900 level in 2010."

"The Group's financial performance for FY2010 will continue to be adversely affected by the current challenging economic conditions and uncertain outlook. However, the Group will maintain its cost-effective structure and focus on keeping its fleet well-deployed and running efficiently."

Mr. Hsu Chih Chien, Chairman
Courage Marine Group Limited

The Group remains cautious on the outlook for FY2010.

---- The End ----

Courage Marine Group Limited

Courage Marine Group, founded in June 2001, is one of Asia's younger dry bulk shipping companies. It owns and operates 9 bulk carriers, deployed around Greater China, Japan, Russia, Vietnam, Indonesia, Bangladesh, and elsewhere in Asia. The vessels, totaling 576,991 deadweight tonnes, transport dry bulk commodities such as coal, sea sand, gravel, cement, clinker, iron ore, minerals, and wood chips. On board to steer the group are five industry veterans with extensive hands-on experience and complementary expertise in dry bulk shipping in Asia, particularly in Greater China and collectively bring over 150 years of combined experience to the Group. With its substantial presence in the region, the company is well positioned to take advantage of growing demand for dry bulk marine transportation services, especially coal, and capitalize on economic growth in China and the Asia Pacific.

For more information, please visit www.couragemarine.com

Issued for and on behalf of Courage Marine Group Limited.

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