

COURAGE MARINE GROUP LIMITED

(Incorporated in Bermuda)
(Company registration number: 36692)

PROFIT WARNING FOR THE FIRST QUARTER ENDED 31 MARCH 2011

The Board of Directors of Courage Marine Group Limited (the “**Company**”) refers to its previous announcement dated 18 February 2011 in relation to the unaudited financial results of the Company and its subsidiaries (the “**Group**”) for the fourth quarter ended 31 December 2010 and FY2010.

In that announcement, it was stated that “The dry bulk market has not fully recovered and was unstable in the past few months. The BDI, which has a close correlation to freight rates, dropped sharply to about 1,000 in January 2011. The Group remains cautious on the outlook for this year. The Group expects that the financial performance for 2011 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.”

The Board of Directors of the Company wishes to inform Shareholders that, despite efforts by the Group to secure deployment of its fleet, fleet utilisation was low during the first quarter of 2011. The Chinese New Year holidays in February resulted in a decrease in our fleet utilisation over the period. In addition, the Japanese quakes, tsunami and nuclear power plant disaster had temporarily halted the shipment of cargo to and from Japan, which resulted in a temporary over-supply of vessels within the Asian region. In addition, freight rates during the period remained generally low, with the BDI averaging around the 1,500 level during such period.

Accordingly, the Company expects to report a loss for the first quarter ended 31 March 2011 compared with a profit in the Company’s financial results for the corresponding financial quarter ended 31 March 2010.

This profit warning is based on a preliminary review of the unaudited financial results of the Company for the first quarter ended 31 March 2011. Details of the Company’s financial performance will be disclosed when the Company finalises and announces its unaudited financial results for the period ended 31 March 2011 on or before 15 May 2011.

In the meantime, the Board of Directors wishes to advise Shareholders and investors to exercise caution when dealing in the Shares of the Company.

By Order of the Board

Lee Pih Peng
Company Secretary
29 April 2011