

FREIGHT LINKS EXPRESS HOLDINGS LIMITED
(Company Registration Number: 198600061G)

**PROPOSED PLACEMENT OF AN AGGREGATE OF 180 MILLION NEW
ORDINARY SHARES IN THE CAPITAL OF FREIGHT LINKS EXPRESS
HOLDINGS LIMITED (the "Placement")**

The Board of Directors of Freight Links Express Holdings Limited (the "Company") wish to announce that the Company has on 25 September 2007 entered into a share subscription agreement (the "Agreement") with Permanent Investment Management Limited (ACN 003 278 831) as responsible entity for the KFM Diversified Infrastructure and Logistics Fund (ARSN 122 556 441) ("KIL") and Kaplan Equity Limited (ACN 096 840 318) ("KEL") (the "Subscribers", and each a "Subscriber") for the issuance of an aggregate of 180 million new ordinary shares in the capital of the Company (the "Placement Shares") at an issue price of S\$0.10 for each Placement Share (the "Placement Price").

When issued, the Placement Shares will be credited as fully paid-up and will rank pari passu in all respects with the existing issued and paid-up ordinary shares in the capital of the Company (the "Shares"), except that they will not rank for any dividend, right, allotment or other distributions, the record date of which falls on or before their date of issue.

The Placement is conditional upon, inter alia, receipt of the approval in-principle from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the Placement Shares on the Official List of the SGX-ST. The Company will be making an application to the SGX-ST for the listing and quotation of the Placement Shares and submitting an Additional Listing Application for such purpose shortly. The Company will make the necessary announcement once the approval for the listing and quotation of the Placement Shares has been obtained.

The Placement Price is arrived at on a willing buyer-willing seller basis and it represents a discount of 4.76 % to the weighted average price of S\$0.105 per Share for trades done on the SGX-ST on 24 September 2007 and up to the time of the signing of the Agreement.

KIL is a public listed fund on the Australian Securities Exchange and KEL is a private equity fund. KIL and KEL are both managed by Kaplan Funds Management Pty Limited with interests in logistics businesses in Australia.

The Placement Shares represent approximately 9.7% of the existing issued and paid-up share capital of the Company of 1,862,585,784 Shares as at the date of this announcement. When completed, the Placement Shares will represent approximately 8.8% of the enlarged issued and paid-up share capital of the Company of 2,042,585,784 Shares after the issue of the Placement Shares.

The Placement Shares will be issued and allotted pursuant to the general mandate to issue shares granted to the Directors of the Company by way of an ordinary resolution of the shareholders of the Company at the annual general meeting held on 30 August 2007.

None of the Placement Shares will be placed with any person or groups of persons disallowed by the SGX-ST as set out under Rule 812 of the SGX-ST Listing Manual.

The net proceeds from the Placement amounting to approximately S\$18.0 million will be used to reduce bank borrowings, to expand the businesses of the group and provide additional working capital for the group's businesses.

Assuming the issue of the Placement Shares had been effected on 30 April 2007, the consolidated net tangible assets per Share of the Company and its subsidiaries (as at 30 April 2007, being the end of the latest financial year), will increase from 4.93 cents per Share to 5.39 cents per Share.

Assuming the issue of the Placement Shares had been effected on 1 May 2006, the earnings per share of the Company and its subsidiaries for the financial year ended 30 April 2007, will decrease from 0.70 cent to 0.69 cent.

In a separate and independent transaction, KFM Asian Logistics 1 Pty Limited has acquired 90 million warrants at S\$0.07 per warrant in the Company exercisable at S\$0.05 per warrant at any time up to 3 March 2009 from Vibrant Capital Pte Ltd ("Vibrant Capital"). Vibrant Capital is the immediate and ultimate holding company of the Company.

Save as disclosed above, none of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the Placement.

By Order of the Board

Thomas Woo
Executive Director & CFO
Singapore, 25 September 2007