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**GRANT OF OPTIONS UNDER THE STRACO SHARE OPTION SCHEME**

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Pursuant to Rule 704(27) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Board of Directors of Straco Corporation Limited (the "Company") wishes to announce that the Company has granted options pursuant to the Straco Share Option Scheme (the "Scheme").

Details of the grant of options are set out hereunder:-

(a)	Date of grant:	5 May 2011
(b)	Exercise price of options granted: <i>(Exercise price is based on the average of the last dealt prices over 5 consecutive markets days immediately prior to the date of grant)</i>	S\$0.176 per option
(c)	Number of options granted to directors and controlling shareholders (and their associate):	3,110,000
(d)	Number of options granted to employees	3,090,000
(e)	Closing price of Straco Shares on the date of grant:	S\$0.17 per share
(f)	Validity period of the options:	<p>The options will be exercisable at any time after the first anniversary of the Date of Grant up to the fifth anniversary of the Date of Grant for directors and controlling shareholders and their associates.</p> <p>The options will be exercisable at any time after the first anniversary of the Date of Grant up to the tenth anniversary of the Date of Grant for employees.</p>

By order of the Board

Lotus Isabella Lim Mei Hua  
Company Secretary

6 May 2011