M M P RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Registration No: 200613299H)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Introduction

MMP Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") was placed on the Watch-list pursuant to Rule 1311 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX**") on 3 March 2016.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the "**Board**") wishes to provide an update on the financial situation of the Company and the Group for the third quarter ended 30 September 2016 ("**3Q FY2016**").

Update on Unaudited Financial Performance and Financial Position

In 3Q FY2016, the Group recorded an unaudited net loss of S$0.302 million, compared to the net loss after tax of S$0.674 million in 3Q 2015. The improved results achieved by the Group in 3Q 2016 was a result of no further operational cost and administrative expenses being registered in association of the Micro Power Plant ("**MPP**") operations in Korea. The improved results are also contributed by the decrease in expenses due to the cost saving measures implemented by management.

For more details on the results and financial position of the Group for the period ended 30 September 2016, please refer to our separate announcement released on 28 October 2016.

Update on Future Direction

With continuing uncertainty over the strength and sustainability of the economic recovery of the major global economies, the Group expects business conditions to remain challenging.

The Group managed to complete a share placement exercise on 11 October 2016. The proceeds from the placement exercise will be used to repay the Group's outstanding creditors and fund the Group's investments in Japan.

As part of the Group's corporate strategy to focus on construction opportunities, asset acquisitions and brand growth in Tier-1 markets with a specific focus on travel, hospitality and leisure industry, the Group had on 13 September 2016, formed a wholly-owned subsidary, MMP Resources Japan K.K. ("**MMPRJKK**"). MMPRJKK has entered into a five year fixed term lease with JRT Trading Pty Ltd ("**JRT**"), with an option to purchase which grants the Group the right to purchase the leased premises at a pre-determined price of ¥80,000,000 (equivalent to SGD1,063,200) (JPY1 : SGD0.01329 extracted from www.oanda.com as at 28 October 2016).

The Group has also entered into a funding agreement with Alliance Brands Limited ("**ABL**"), on 7 September 2016, for the purpose of facilitating a global rollout of ABL's most successful brands. The entry by the Company into the funding agreement is part of its strategy to broaden the relationship between the Company and ABL over time which may include closer working relationships in various high potential locations in Japan.

For more details of the lease agreement and funding agreement with JRT and ABL respectively, please refer to our separate announcements released on 13 September 2016 and 7 September 2016, respectively.

BY ORDER OF THE BOARD

Paul Andrew Crosio
Executive Director
28 October 2016