M M P RESOURCES LIMITED

(Incorporated in Republic of Singapore)
(Company Registration No. 200613299H)

PLACEMENT OF 142,857,100 NEW ORDINARY SHARES AT THE ISSUE PRICE OF S$0.007 PER SHARE

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1. Introduction

The Board of Directors ("**Board**") of MMP Resources Limited (the "**Company**" and together with its subsidiaries the "**Group**") wishes to announce that it has today entered into share subscription agreement with Blue Pegasus Capital Ltd (the "**Subscriber**"), pursuant to which the Subscriber will subscribe for, and the Company will allot and issue to the Subscriber, 142,857,100 new ordinary shares ("**Subscription Share**") in capital of the Company.

The issue price of each Subscription Share is S$0.007, with the aggregate placement consideration amounting to S$999,999.

2. Issue Price

The issue price represents a premium to the weighted average of the Company's ordinary shares for trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the full market day on 8 August 2016, being the last full market day immediately preceding the date on which the share subscription agreement was signed.

The issue price was arrived at following arm's length negotiation between the Company and Subscriber. The premium is derived based on the potential of the acquisitions to be entered into by the Company as previously announced on 4 and 7July 2016.

3. The Subscriber

The Subscriber was established in 2008 and is a British Virgin Islands registered; Singapore based Investment Company ("**IC**"). Mr Kawahara Yasuteru ("**Mr Yasuteru**") is the beneficial owner of the IC, which is focused on investing in Asian equities including Japan.

Mr Yasuteru was previously based in Singapore, where he was an exempt Financial Advisor and exempt Fund Manager at JCM Singapore Pte Ltd, focusing on assisting Asian High Net Worth clients. He managed mainly Japanese Equities and Fixed Income, to an accumulated total investment value of approximately S$100 million. Presently, Mr Yasuteru is running a family office business in Japan for High Net Worth clients.

Know Your Client has been carried out on the basic operations, and directors of the Subscriber.

This Placement was facilitated through Maiora Asset Management Pte. Ltd.'s ("**Maiora**") contacts who in turn introduced potential investors to the Company as part of the service agreement signed between the Company and Maiora on 27 June 2016.

As at the date of this announcement, the Subscriber does not hold any shares in the issued share capital of the Company.

M M P RESOURCES LIMITED

As at the date of this announcement, the Subscriber does not have any connection (including business dealings) with the substantial shareholders of the Company or the Directors.

4. Placement

The placement is made pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the placement.

The Subscription Share will only be issued to the Subscriber and will not be issued to any of the persons listed in Rule 812(1)(a) to (d) of the SGX-ST Listing Manual and will be in compliance with Rule 812.

The Subscription Shares, when allotted and issued, shall rank *pari passu* with, and shall carry all rights similar to, the existing issued shares of the Company, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Placement.

None of the Subscription Shares will be placed with the Directors or substantial shareholders of the Company or any of their respective related parties.

The Placement would not result in any transfer of controlling interest in the Company.

5. Authority for Issue of Shares

The Subscription Share will be issued pursuant to the general share issue mandate approved by shareholders of the Company at the Company's annual general meeting held on 29 April 2016. As at 29 April 2016, the Company had 1,714,972,829 shares in issue. The Company has not issued any new shares from the date of the aforesaid annual general meeting to the date of this announcement.

The Subscription Share represent approximately 8.33% of the existing issued share capital of the Company, and approximately 7.69% of the enlarged issued share capital of the Company on completion of the placement (assuming that no further shares are issued on or prior to the completion of the Placement). Accordingly, the proposed issuance of the Subscription Shares to be issued will fall within the limit of the general mandate.

6. Conditions Precedent

Completion of the Placement is conditional upon:

(a) the in-principal approval (the "**AIP**") from SGX-ST for the Placement having been obtained (on terms and conditions acceptable to the Company and the Subscriber, each acting reasonably) and not being revoked or amended as at the completion date;

(b) any conditions attached to the AIP which is required to be fulfilled on or before the completion date, having been fulfilled on or before that date to the satisfaction of the SGX-ST unless waived by the SGX-ST;

M M P RESOURCES LIMITED

(c) the Company or the Subscriber not in breach of any of the undertakings and covenants given in the Subscription Agreement as at the completion date, and if any of such undertakings and covenants are required to be fulfilled on or before the completion date, such undertakings and covenants shall have been fulfilled prior to completion date; and

(d) the Company having obtained SGX-ST's approval for the issuance and allotment, listing and quotation of the Subscription Shares and the Placement.

In respect of the condition precedent set out in paragraph 6(a) above, the Company will be submitting an additional listing application to the SGX-ST for the AIP. The Company will make the necessary announcement once the AIP has been obtained from the SGX-ST.

7. Rationale and Use of Proceeds

The Placement will raise gross proceeds of approximately S$999,999. After deducting estimated expenses of approximately S$60,000, the net proceeds of S$939,999 will be used for the purposes indicated in the table below.

On 4 July 2016 and 7 July 2016, the Company had announced the signing of a memorandum of understanding with both JRT Trading Limited and Alliance Brands Limited respectively. The proceeds will be used to fund these acquisitions. A portion of the proceeds will also be used to repay creditors and for general operational expenses.

Use of Proceeds	Percentage Allocation (%)
Funding of acquisitions and projects	Approximately 60%
Repayment of creditors	Approximately 25%
General operational expenses	Approximately 15%

The Company will make an announcement as to the use of the proceeds from the Placement as and when such proceeds are materially disbursed and whether such a use is in accordance with the stated use. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

Pending the deployment of the proceeds from the Placement, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may deem fit, from time to time.

8. Financial Effects

As at the date of this announcement, the issued and paid-up share capital of the Company is $135,202,388 comprising of 1,714,972,829 shares. On completion, the issued and paid-up share capital will increase to S$136,202,387 comprising of 1,857,829,929 shares.

M M P RESOURCES LIMITED

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2015:

(a) for purposes of computing the effect of the Placement on the loss per share ("**LPS**") of the Group, it is assumed that the Placement had been completed on 1 January 2015. Assuming that the Placement had been completed on 1 January 2015, the net loss per share of the Group after adjusting for the Subscription Shares will decrease from S$0.0312 to S$0.0283; and

(b) for purposes of computing the effect of the Placement on the net tangible asset ("**NTA**") per share of the Group, it is assumed that the Placement had completed on 31 December 2015. Assuming that the Placement had been completed on 31 December 2015, the net tangible asset per share of the Group after adjusting for the Subscription Shares and the net proceeds of the Placement will increased from S$(0.00397) to S$(0.00337).

It should be noted that the financial effects set out above are for illustrative purposes only and do not purport to be an indication or a projection of the results and financial position of the Company and the Group, after completion of the Placement.

9. Interests of Directors and Substantial Shareholders

Save for their existing shareholding interests in the Company, none of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the Placement.

10. Documents Available for Inspection

A copy of the subscription agreement is available for inspection at 6 Eu Tong Sen Street #12-20 The Central Singapore 059817 during normal business hours for a period of three (3) months commencing from the date of this announcement.

11. Trading Caution

Shareholders are advised to exercise caution in trading their shares. The Placement is subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Paul Andrew Crosio
Executive Director
10 August 2016