ISR CAPITAL LIMITED
(the "Company")
(Company Registration No. 200104762G)
(Incorporated in the Republic of Singapore)

RESPONSES TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES REGARDING TRADING ACTIVITY

The Board of Directors (the "**Board**") of ISR Capital Limited (the "**Company**") refers to the queries raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") dated 7th November 2016 in relation to the Company's trading activity and wishes to furnish the following response :-

Query by SGX-ST:

1. Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 8 in Appendix 7.1 of the Mainboard Rules for further examples.

   - If yes, the information shall be announced immediately.

Company's Response:

The Company is not aware of any information not previously announced, concerning the Company, its subsidiaries or associated companies which, if known, might explain the said trading.

However, the Company wishes to highlight that, as announced by the Company on 1st July 2016, the Company is progressing on a proposed project management agreement, where the Company will provide certain services to Tantalum Rare Earth Malagasy S.A.R.L. (the "**Operating Company**"), which is entitled to the rights under an exploration permit granted by the Malagasy government, to explore a concession area which is reported to host deposits of rare earth oxides (the "**Project**"), towards the development and progress of the Project.

As previously announced, the Company had entered into sale and purchase agreements to acquire 60.0% of the issued and paid-up share capital of Tantalum Holding (Mauritius) Ltd, which owns 100% of the Operating Company.

The Company is also pleased to advise on current developments on the Project as follows:

The bulk sampling programme has commenced and is progressing on site in Madagascar. The Operating Company currently has 250 samplers on site to sample a target of 7,500 tonnes of material and will employ a further 500 samplers in its' effort to complete the project. The bulk samples obtained will then be transported to a de-absorption testing site, where the rare earth analysis are to be completed.

The application for pilot-scale production is scheduled for submission to the Malagasy Government in December, 2016 barring any unforeseen circumstances. Currently, the Company expects the Operating Company to receive its' pilot-scale production permit approval by Q1, 2017.

The Company's Directors, Mr. David Rigoll, Mr. Chen Tong, and Mr. Joseph Kwok, along with key members of management from the Operating Company and advisors, are currently on site in Madagascar, with the experts from a potential strategic partner, as part of the potential strategic partner's due diligence on inter alia, the Company and the Project.

The Company is in preliminary discussions with a potential strategic partner in relation to the Project. There is no assurance that this will materialize in any transaction.

Query by SGX-ST:

Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

Company's Response:

Save as disclosed above, the Company is not aware of any other possible explanation for the trading.

Query by SGX-ST:

Can you confirm your compliance with the listing rules and, in particular, Mainboard Rule 703?

Company's Response:

The Company confirms its compliance with the listing rules and in particular, Mainboard Rule 703.

BY ORDER OF THE BOARD

Quah Su-Yin
Chief Executive Officer and Executive Director

8 November 2016