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

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL

The Board of Directors (the "**Board**") of ISR Capital Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement on 4 December 2017 (the "**Announcement**") in relation to its inclusion on the Watch-list (the "**Watch-list**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Company had been placed on the Watch-list under the Minimum Trading Price ("**MTP**") Entry Criterion with effect from 5 December 2017, pursuant to Listing Rule 1311(2) of the Listing Manual of the SGX-ST (the "**Listing Manual**"). Over the six months prior to December 2017, the Company had recorded a volume-weighted average price of less than S$0.20 and an average daily market capitalisation of less than S$40 million.

Pursuant to Rule 1313(2) of the Listing Manual, the Board wishes to provide the following updates in respect of the three months ended 30 June 2018 ("Q2 2018") on its ongoing efforts to meet the MTP exit criteria as set out in Listing Rule 1314(2):

(i) The Group remains committed to completing the proposed acquisition of a 60%-stake in Tantalum Holding (Mauritius) Ltd ("THM") (the "**Proposed Acquisition**"), for which it is currently seeking regulatory approval. Upon securing regulatory approval, the Group will convene an Extraordinary General Meeting for shareholders to decide on the Proposed Acquisition.

(ii) The Group is currently working with Straits Hi-Rel Pte Ltd ("**SHR**") to determine a timeline to complete the remaining stages of its investment into SHR.

(iii) Please refer to the announcement issued on 13 August 2018 relating to the Group's unaudited financial statements for Q2 2018 and half-year ended 30 June 2018, which include an update on the Group's financial position, future direction and other material developments.

Although there have been no significant updates since the last announcement, the Board will continue to review the available options for compliance with the requirements of Rule 1314(2) of the Listing Manual and removal from the Watch-list, which may include:

(a) Undertaking a share consolidation exercise; or

(b) Transferring its listing to the Catalist board of the SGX-ST.

By Order of the Board
ISR Capital Limited

Chen Tong
Executive Chairman

13 August 2018