



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

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON 27 AUGUST 2015 WITH RESPECT TO THE COMPANY'S ANNOUNCEMENT ON 25 AUGUST 2015

The Board of Directors ("**Board**") of MMP Resources Limited (the "**Company**" and together with its subsidiaries the "**Group**") would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 August 2015 with respect to the Company's announcement on 25 August 2015 on its receipt of a letter of demand from lawyers acting for Quintestellar Re Capital Inc. ("**Quintestellar**").

Unless otherwise defined herein, terms defined in the announcement of 25 August 2015 (the "**Previous Announcement**") shall have the same definitions herein.

Response to Queries

MMP Resources Limited's (the "Company") announcement "Receipt of Letter of Demand" on 25 August 2015 (the "Announcement") disclosed that the Company received "a letter of demand from lawyers acting for Quintestellar Re Capital Inc. ("Quintestellar") claiming the repayment of S\$4,715,056.67 in respect of amounts loaned to the Company (the "Loan")". The Company's 2014 Annual Report disclosed that the financial statements are prepared on a going concern based on, inter alia, "the Group and Company have reached an agreement to settle an amount due to shareholders (Note 24) of approximately S\$4,715,000 using ordinary shares of the Company, which will enable the Group and Company to reduce its liabilities without incurring further cash outflow".

- (a) In view of Quintestellar's letter of demand, please provide details on how the amount of S\$4,715,000 will be funded by the company;**

As disclosed in the Previous Announcement, the Company has been engaged in settlement discussions in relation to the Loan. On 6 August 2015, the Company's shareholders approved the proposed placement of 262,000,000 new shares (the "**Placement**"), which is expected to raise net proceeds of approximately S\$6,437,000. In the event no settlement agreement is reached, the Company will scale down its micro power plant construction plans in the short term and deploy part of the funds raised from the placement to repay the Loan.

The Company will update shareholders on material developments in relation to the Loan and the claim from Quintestellar as they arise.

- (b) We note that based on the Company's latest reported Balance Sheet as at 30 June 2015, the Company's bank balance was S\$246,000. In view of this and Quintestellar's claims, please provide the Board's views on whether the company is able to operate as a going concern, the basis for their views and quantify the amounts available for funding the claims; and**

Taking into account the settlement discussions on the Loan and the net proceeds to be raised through the Placement, the Board is of the view that the Company is able to operate as a going concern.

- (c) We wish to draw your attention to Rule 1303(3) which applies if the issuer is unable to operate as a going concern. Please comply accordingly, where applicable.**

The Board is aware of Rule 1303(3) but is currently of the view that the Company is able to operate as a going concern at as the date of this announcement. The Company will comply with Rule 1303(3) where applicable.

BY ORDER OF THE BOARD

Drew Ethan Madacsi
Executive Director
28 August 2015