M M P RESOURCES LIMITED

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

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON 9 DECEMBER 2016 WITH RESPECT TO THE COMPANY'S ANNOUCEMENT ON 28 OCTOBER 2016 ON ITS 3QFY2016 RESULTS

The Board of Directors ("**Board**") of MMP Resources Limited (the "**Company**" and together with its subsidiaries the "**Group**") wishes to announce the following:-

Response to Queries

The Company would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 9 December 2016 with respect to the Company's announcements on 28 October 2016 on its 3Q2016 results. Unless otherwise defined herein, terms defined in such announcements shall have the same definitions herein.

(1) In the Income Statement, Revenue amounted to S$105K. Please provide details on the nature of this Revenue.

The revenue of the Group is derived from the monthly management fees received by the Company's fully owned subsidiary, Magnum Energy Pte. Ltd. ("**Magnum Energy**"). Please refer to the announcement released on 30 May 2016 for further details. Further to the announcement dated 30 May 2016, the Group has agreed to a reduced monthly management fee of S$35,000 for July, August and September 2016.

(2) (2) In the Statement of Financial Position, "Trade receivables" amounted to approximately S$1 mil.

(i) Noting that Revenue for 9 months ended 30 September 2016 ("9M2016") amounted to only S$1.1mil, please provide details on these trade receivables and reasons why Revenue for 9M2016 was not collectible; and

The trade receivables are mainly monthly management fees for managing the Micro Power Plants ("**MPP**") due from Magnum Modular Power Generation Pte. Ltd. ("**MMPGPL**"). MMPGPL was under cash flow constraints due to delays in the commissioning of their Malaysian operations and, as announced on 8 December 2016, the Company and Primeforth, MMPGPL's parent company, had entered into a mutual release and settlement agreement whereby MMPGPL would repay the Company, with interest, starting April 2017.

(ii) What were the steps (taken) by the Board of Directors to recover these amounts.

The Board had issued a letter of demand to MMPGPL and has been in constant contact with Primeforth to discuss the debt recovery. On 8 December 2016, Magnum Energy and Primeforth entered into a mutual release and settlement agreement in respect of the unreimbursed expenses and unpaid fees owing to Magnum Energy.

By Order of the Board

Paul Andrew Crosio
Executive Director
13 December 2016