M M P RESOURCES LIMITED

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

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON 11 NOVEMBER 2019 WITH RESPECT TO THE COMPANY'S ANNOUNCEMENT ON 4 NOVEMBER 2019 ON ITS ANNOUNCEMENT IN RELATION TO 3Q2019 RESULTS FOR THE 9 MONTHS' ENDED 30 SEPTEMBER 2019 ("3Q2019")

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 11 November 2019 with respect to the Company's announcement on 4 November 2019 on its announcement in relation to the Company's 3Q2019 results for the 9 months' ended 30 September 2019 ("**3Q2019**"). Unless otherwise defined herein, terms defined in such announcements shall have the same definitions herein.

(1) At para 1(b)(i) of the 3Q2019 financial results, trade and other receivables in 3Q2019 amounted to $974k out of the Group's total assets of approximately $2million when revenue amounted to only $614k for 9 months ended 30 September 2019.

(a) What is the breakdown of trade receivables and other receivables;

	$'000
Trade receivables	26
Other receivables (Loan to others)	948
Total	974

(b) To provide the reasons for non-receipt of the trade receivables and other receivables respectively;

	Reason
Trade receivables	- Follow up actions had been taken by management to recover the amount.
Other receivables (Loan to others)	- Other receivables is made up of loan to others. Repayment will be made based on the terms in loan

(c) Please disclose the agreed payment terms of the contracts for the trade and other receivables of $974k outstanding in this quarter;

		Payment Terms
Trade receivables	-	30 days
Other receivables (Loan to others)	-	Loan term of 5 years - Loan carry an interest rate of 12% per annum based on the loan outstanding plus any unpaid interest.

(d) To disclose when does the Group expect to receive payment, nothing that these have been classified as "current assets";

The Group is expecting to receive payment for trade receivables in the next 2 months. Otherwise, the Group will review and determine if provision for impairment is required at year end.

(e) To disclose whether any provision for impairment of these trade and other receivables have been made.

No provision for impairment of these trade and other receivables had been made. The Group will review and provide for impairment, if necessary, at the end of year.

(2) The Company disclosed that the Group has cash and bank balances of $123k. Please disclose whether and how the Group is able to meet its debt obligations as and when they fall due, given that current trade and payables of $2.2million as at 30 September 2019, significantly exceed the Group's cash and bank balances of $123k.

As previously announced on SGXNet, the Group is actively looking for potential acquisitions that will bring in positive cash flow to manage the Group's debt obligations.

(3) At para 8 of the 3Q2019 financial results, the Company disclosed that the "increase in current assets was mainly due to prepaid operating expenses". Please clarify whether the prepaid operating expenses were the "other current assets" recorded in the Statement of Financial Position. To provide a breakdown of these prepaid operating expenses.

Prepaid operating expenses were the "other current assets" recorded in the Statement of Financial Position.

	$'000
IT Services	2
Share Registrar Services	1
Annual Listing Fee	9
CDP	4
Insurance	19
Secretarial Services	3

BY ORDER OF THE BOARD

Chong Chee Meng Gerard
Lead Independent Director
13 November 2019