M M P RESOURCES LIMITED

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

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Introduction

MMP Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") was placed on the Watch-list pursuant to Rule 1311 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX**") on 3 March 2016.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the "**Board**") wishes to provide an update on the financial situation of the Company and the Group for the second quarter ended 30 June 2016 ("**2Q FY2016**").

Update on Unauditied Financial Performance and Financial Position

In 2Q FY2016, the Group recorded an unaudited net profit of S$0.038 million, compared to the net loss after tax of S$25.047 million in 2Q 2015. The improved results achieved by the Group in 2Q 2016 was a result of no additional start-up costs and a reduction in operational cost and administrative expenses associated with the Micro Power Plant ("**MPP**") operations in Korea. The improved results also reflected a further decrease in expenses due to the cost savings measures implemented by management.

For more details on the results and financial position of the Group for the period ended 30 June 2016, please refer to our separate announcement released on 29 July 2016.

Update on Future Direction

In common with all companies operating internationally, the Group expects management of systemic risks and uncertainties to remain a focus. The Group is looking to mitigate these risks through a strategy of sourcing investments with early cash generation, stable and mature operating environments and applying even more rigorous financial analysis prior to investment.

The Group is also actively sourcing additional short term funding. The purpose of these short term funding plans are to repay the Group's outstanding creditors as well as allow for the projected costs of the execution of potential acquisitions. Simultaneously, the Group is continuing strict controls over any unnecessary expenses.

As part of the Group's corporate strategy to focus on construction opportunities, asset acquisitions and brand growth in Tier-1 markets with a specific focus on travel, hospitality and leisure industry. On 4 July 2016, the Group has signed a Memorandum of Understanding ("**MOU**") to acquire the entire issued capital of JRT Trading Limited ("**JRT**"), a company incorporated in Japan for a sum of ¥80 million which is approximately S$1.04 million at an exchange rate of ¥1 = S$0.013. The Company intends to refurbish and construct additional retail space within the two-storey building. It also intends to bring in several new retail and F&B anchor tenants which are aligned to provide the Company with joint venture opportunities and enhance its revenue models. A definitive agreement will be signed when the Company is satisfied with the results of its due diligence of JRT including the legal, financial and other information provided to the Company in respect of the asset and the business.

In line with the Group's corporate strategy and MOU signed with JRT on 4 July 2016, the Group has also signed a MOU, on 7 July 2016, with Alliance Brands Limited ("**ABL**"), a global brand development and operational company. As the Group seizes more construction and refurbishment opportunities, there is an increasing need for synergic brands as anchor tenants in shopping malls and commercial buildings. This MOU with ABL will enable the Company to have direct access to brand design and operational teams, thus increasing margins significantly and valuation by multiples and negating brand buyouts.

For more details of the 2 MOUs with JRT and ABL please refer to our separate announcements released on 4 July 2016 and 7 July 2016, respectively.

BY ORDER OF THE BOARD

Paul Andrew Crosio
Executive Director
29 July 2016