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

MEMORANDUM OF UNDERSTANDING WITH CHINA NON FERROUS METAL INDUSTRY'S FOREIGN ENGINEERING AND CONSTRUCTION CO., LTD

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*The Company (as defined below) refers to the announcement dated 10 June 2016 ("**Acquisition Announcement**") in relation to the proposed acquisition of an equity stake in Tantalum Holding (Mauritius) Ltd ("**Tantalum**"). Unless otherwise defined, capitalised terms used in this announcement shall have the meanings given in the Acquisition Announcement.*

The board of directors (the "**Directors**") of ISR Capital Limited (the "**Company**") wishes to announce that the Company has entered into a non-binding memorandum of understanding (the "**MOU**") with China Non Ferrous Metal Industry's Foreign Engineering and Construction Co., Ltd ("**NFC**").

As disclosed in the Acquisition Announcement, Tantalum indirectly owns a permit to explore and develop a rare earth elements concession in Madagascar (the "**Tantalum Project**"). NFC is a company listed on the Shenzhen Stock Exchange, and undertakes international contracted nonferrous metal projects and exports related engineering technologies, equipment, and labour services. NFC expressed an interest in extending its expertise and services to ISR in developing the Project.

Under the MOU, the Company and NFC will assess the Project and evaluate the potential for, among other things, the appointment of NFC for the construction, commissioning and operation of the Project as well as an offtake agreement in respect of the rare earth products produced at the Project. The MOU is subject to the completion of the Company's acquisition of Tantalum.

Shareholders should note that the MOU is not legally binding and subject to, among other things, entry by the Company and NFC into definitive agreements. Shareholders are advised to exercise caution in trading their shares as the MOU is subject to certain conditions and there is no certainty or assurance that the MOU will result in concrete transactions. The Company will make further announcements to keep shareholders updated on developments regarding Tantalum and/or the MOU.

By Order of the Board
ISR Capital Limited

Quah Su-Yin
Chief Executive Officer and Executive Director
28 November 2016