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

ISSUE OF 2.0% CONVERTIBLE REDEEMABLE BONDS DUE 2018 WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S$35,000,000
- ISSUE OF 175,000,000 CONVERSION SHARES

Unless otherwise defined all capitalised terms shall have the definitions given in ISR Capital Limited's announcement dated 18 November 2014 and the Company's Circular to Shareholders dated 24 August 2015.

The board of directors (the "**Board**") of ISR Capital Limited (the "**Company**") would like to announce that following the subscription of the third sub-tranche of Tranche 1 Bonds which amounted to S$1,000,000 by the Subscriber on 8 October 2015, the Subscriber has on 3 May 2016 exercised its rights to convert fourteen (14) Bonds (Certificate Nos. 041 to 054) in respect of the third sub-tranche of Tranche 1 Bonds. The converted Bonds, with an aggregate principal value of S$700,000 will be converted into 175,000,000 Conversion Shares at the Actual Floating Conversion Price of S$0.0040 for each Conversion Share on 3 May 2016. An aggregate amount of S$700,000 of the third sub-tranche of the Tranche 1 Bonds has been converted as of 3 May 2016.

The Actual Floating Conversion Price of S$0.0040 was determined by taking 85% of the average of the traded volume weighted average prices per share ("**VWAP**") for any three (3) consecutive Trading Days as selected by the Subscriber during the 30 Trading Days immediately preceding the Closing Date of the first sub-tranche of Tranche 1 Bonds, which fell on 17 September 2015. The three (3) consecutive VWAP selected are as follows:

	Date	VWAP
X	7 September 2015	S$0.0050
Y	8 September 2015	S$0.0047
Z	9 September 2015	S$0.0045

Actual Floating Conversion Price = $\frac{(X+Y+Z)}{3} \times 0.85$ = **S$0.0040**

Accordingly, the Company has issued and allotted 175,000,000 Conversion Shares to the Subscriber on 3 May 2016 and the total number of issued and paid-up shares of the Company has increased from 756,161,100 shares to 931,161,100 shares.

By Order of the Board
ISR Capital Limited

Quah Su-Yin
Chief Executive Officer and Executive Director
3 May 2016