M M P RESOURCES LIMITED

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

CONDITIONAL SETTLEMENT OF LOAN OWING BY JAPANESE SUBSIDIARY

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1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of MMP Resources Limited (the "**Company**" and collectively with its subsidiaries, the "**Group**") refers to the announcements released by the Company on 27 April 2017 and 13 July 2018 (the "**Announcements**") in respect of the entry by the wholly-owned subsidiary of the Company, MMP Resources Japan K.K. (the "**MMP Japan**"), as borrower, into a loan agreement with Maiora Global Fund SPC (for and on behalf of Maiora Asian Structured Finance Segregated Portfolio) ("**MASFF**"), whereby MASFF, as lender, has agreed to provide to MMP Japan a term loan in the principal amount of US$500,000 (the "**MMP Japan Loan**" and such agreement hereinafter referred to as the "**Loan Agreement**"). For the avoidance of doubt, MASFF is also known as Maiora Asia Structured Finance Fund, as referred to in the Announcements.

The Board wishes to announce that the Company and MMP Japan have on 2 August 2019 entered into an agreement with MASFF (the Company, MMP Japan and MASFF, collectively, the "**Parties**") in respect of, among others, the extension of the maturity date of the MMP Japan Loan and the proposed settlement of the MMP Japan Loan subject to the conditions therein (the "**Loan Settlement Agreement**").

2. INFORMATION ON THE MMP JAPAN LOAN

For ease of reference, the key terms of the MMP Japan Loan are set out below. Shareholders may also wish to refer to the Announcements for further details on the MMP Japan Loan.

Lender	MASFF. As at the date of the Loan Agreement, MASFF was deemed interested in 135,000,000 shares in the Company (each a "**Share**") registered under DBS Nominees Pte Ltd, representing approximately 6.76% of the entire issued and paid-up share capital of the Company at that time.
Borrower	MMP Japan
Purpose	MMP Japan shall use the loan for commercial purposes.
Loan Amount	US$500,000
Disbursement Date	27 April 2017
Interest Rate	15% per annum
Maturity Date	26 April 2018, being the one (1) year anniversary of the date of disbursement of the MMP Japan Loan. The maturity date was extended to 26 April 2019 pursuant to a supplemental agreement

	entered into by and between MMP Japan and MASFF on 13 July 2018. Please refer to the Announcement dated 13 July 2018 for further details on the extension of the maturity date of the MMP Japan Loan.
Security	The MMP Japan Loan is secured by (i) a pledge over all of the Company's rights, title and interests in and to all of the issued share capital of MMP Japan, (ii) a first priority mortgage in favour of MASFF on an asset of MMP Japan, and (iii) a guarantee granted by the Company in favour of MASFF (such documents in respect of the grant of such securities together with the Loan Agreement, collectively, the "**Loan Documents**").

3. INFORMATION ON MASFF

MASFF is a fund which invests in primary loans with outstanding risk reward characteristics across the Asia Pacific. The fund focuses on structured lending in Asia, but previously provided a bridge loan for solar plants in Japan as well as a senior loan to an Indonesian coal mine and various Japanese Mezzanine Real Estate Loans. MASFF is not a competitor of the Company nor does it have any businesses that compete with the Company.

As at the date of this announcement, MASFF is a substantial shareholder of the Company, with an interest in an aggregate of 305,701,215 Shares, representing approximately 13.04% of the existing issued and paid-up share capital of the Company.

As at the date of this announcement, Jason N Block ("**Jason Block**"), a Non-Executive Director of the Company, is a shareholderr of Maiora Asset Management Pte. Ltd. ("**MAM**") and holds 25% of the issued share capital of MAM (excluding treasury shares). MAM is a registered fund management company based in Singapore with an Asian focus and is the fund manager of MASFF.

4. KEY TERMS OF THE LOAN SETTLEMENT AGREEMENT

4.1 Further Extension of the Maturity Date

Pursuant to the Loan Settlement Agreement, MMP Japan and MASFF have agreed to extend the maturity date of the MMP Japan Loan to the earliest of:

(a) 31 December 2020; or

(b) any earlier date on which the entire MMP Japan Loan is required to be paid in full, by acceleration or otherwise, in accordance with the provisions of the Loan Agreement (as may be amended, modified and / or supplemented from time to time).

4.2 The Proposed Settlement

Pursuant to the Loan Settlement Agreement, MASFF agrees and undertakes with the Company and MMP Japan to, among others:

(a) waive all of the outstanding amount of the MMP Japan Loan and all other indebtedness of the Company and MMP Japan under the Loan Documents, including but not limited to any interests accrued (but unpaid) and accruing (and unpaid) after the date of the Loan Settlement Agreement (collectively, the "**Total Debt**"); and

(b) waive, release and discharge the Company and MMP Japan, from all and any actions, proceedings, claims and demands whatsoever and howsoever arising out of, or in any way relating to, or resulting from any matter arising from, in relation to or in connection with the Total Debt and the Loan Documents,

(the "**Proposed Settlement**"), subject to the satisfaction of the Conditions Precedent (as defined and further described in section 4.3 of this announcement).

As at the date of the Loan Settlement Agreement, the Total Debt comprises the following:-

Amount of MMP Japan Loan outstanding	US$500,000
Amount of interests accrued and unpaid up to the date of the Loan Settlement Agreement	US$170,136.99

4.3 Conditions Precedent

The Proposed Settlement shall be effective only upon the satisfaction of the following conditions (the "**Conditions Precedent**"):

(a) completion of the transfer to MASFF (or such nominee as may be nominated by MASFF) of all the shares held by the Company in MMP Japan pursuant to a definitive agreement to be entered into between the Company and MASFF (or such nominee as may be nominated by MASFF) (the "**Disposal**");

(b) the Company obtaining such approval(s) required from its Directors in connection with the Disposal;

(c) the Company receiving the following approvals from its shareholders (the "**Shareholders**") at an extraordinary general meeting of the Company to be convened:

(i) (if applicable) such approval as may be required under Rule 1014 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in respect of disposal of assets; and

(ii) such other approval(s) required under the Listing Manual and any other applicable laws and regulations; and

(d) the completion of the acquisition of a new asset (such asset not being an asset consisting wholly or substantially of cash or short-dated securities) or business by the Company or any of its subsidiaries.

The Parties agree that the Company and MMP Japan shall (or shall procure) that the Conditions Precedent are satisfied by 31 December 2020 or such other date as may be mutually agreed in writing by the Parties.

Shareholders should note that any disposal of the assets of the Company which results in the transaction being a "major transaction" under Rule 1014 of the Listing Manual shall be conditional on Shareholders' approval being obtained in a general meeting. The Company shall comply with all applicable requirements under the Companies Act, Chapter 50 of Singapore, the Listing Manual and all other relevant legislations as may be applicable in relation to the Disposal.

4.4 Undertakings

4.4.1 Notwithstanding the terms of the Loan Agreement (as may be amended, modified and / or supplemented from time to time) but subject to section 4.4.2 below, until the satisfaction of the Conditions Precedent, the Parties agree that:

(a) interests shall continue to accrue on the outstanding amount of the MMP Japan Loan in accordance with the terms of the Loan Agreement; and

(b) MASFF shall not:

(i) demand for repayment (or prepayment) of the Total Debt (or any part thereof) from the Company or MMP Japan;

(ii) make any claim or demand against the Company or MMP Japan; or

(iii) enforce any of its rights,

arising out of, in connection with or pursuant to any of the Loan Documents.

4.4.2 However, if any of the following occurs prior to the satisfaction of the Conditions Precedent:

(a) the introduction of or any change in or in the interpretation of any law which makes it unlawful, or any governmental authority asserts that it is unlawful, for MASFF to maintain the MMP Japan Loan; or

(b) an insolvency event happens in respect of any of the Company or MMP Japan; or

(c) any law is enacted which terminates the legal existence of the Company or MMP Japan, or suspends or revokes any substantial parts of the Company's or MMP Japan's business or operations,

the following shall apply:

(i) unless otherwise agreed by MASFF, MMP Japan (or the Company) shall pay to MASFF, by such date as may be specified by MASFF, the Total Debt; and

(ii) neither the Company nor MMP Japan shall be obliged to satisfy (or procure the satisfaction of the Conditions Precedent):

5. RATIONALE AND BENEFITS OF THE COMPANY'S ENTRY INTO THE LOAN SETTLEMENT AGREEMENT

The Company's and MMP Japan's entry into the Loan Settlement Agreement will enable the Group to:

(a) reduce its current liabilities and settle all outstanding loans owed by the Company to MASFF;

(b) eliminate the need for any cash repayment or payment in view of the current financial and cash position of the Group; and

(c) eliminate one of the competing needs for working capital and improve the Company's net tangible assets value and reduce its loss per Share.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective shareholding interests and / or directorships in the Company (as the case may be) and save as disclosed in this announcement, none of the Directors or, as far as the Company is aware, substantial Shareholders has any interest, direct or indirect, in the Loan Settlement Agreement.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Loan Settlement Agreement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

8. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares. There is no certainty or assurance as at the date of this announcement that no changes will be made to the terms of the Loan Settlement Agreement. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A Copy of the Loan Settlement Agreement is available for inspection at the Company's registered office at 6 Eu Tong Sen Street #12-20 The Central Singapore 059817 during normal business hours for a period of three (3) months commencing from the date of this announcement.

By Order of the Board

Chong Chee Meng Gerard
Lead Non-Executive Independent Director

2 August 2019