

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

RESPONSE TO SGX QUERIES

The Board of Directors (the “**Board**”) of ISR Capital Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide the following additional information in response to the queries raised by Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in their email dated 16 April 2019 in relation to the Company’s announcement dated 31 March 2019 (the “**Announcement**”).

Query by SGX-ST:

1. We refer to the Company’s full year 2018 results (the “**Announcement**”). In the statement of financial position, “Investment in a joint venture” amounts to S\$1.27 million.
 - i. Please disclose how much has been invested in Straits Hi-Rel Pte Ltd (“SHR”) to-date;
 - ii. Please disclose the respective payment dates and the respective amounts invested to-date;
 - iii. For each payment, please elaborate how the condition precedent for each of the instalment payments has been met;
 - iv. For each instalment payment, please disclose the amount of confirmed orderbook that SHR had on hand on the respective dates;
 - v. Please disclose and quantify the current orderbook of SHR as at the latest practicable date and elaborate on the projects undertaken by SHR;
 - vi. When did SHR commence operations?
 - vii. Please elaborate on the reasons for the net loss of \$529,000 incurred by SHR in FY2018;
 - viii. What was SHR’s revenue generated for FY2017 and FY2018?

Company's Response:

- (i) The Group has invested a total of S\$1.34 million in SHR to-date.
- (ii) The respective payment dates and amounts invested to-date are as follows:

Payment date	Investment amount (S\$)
9 September 2017	134,000
17 October 2017	536,000
3 January 2018	670,000
Total Investment in SHR to-date:	1,340,000

- (iii)

Conditions Precedent:	Satisfaction of Condition Precedent:
The completion of Stage 1 of the Investment was subject to the satisfaction or waiver by Infiniti Advantage Pte. Ltd. (a wholly-owned subsidiary of ISR Capital Limited) (“ Infiniti ”) of certain conditions, including the following: (a) that the Investment and Shareholders Agreement (“ Agreement ”) is duly executed by the parties and all terms and conditions stated therein continue to remain in full force and effect, and no party is in breach of any of their representations, warranties, obligations or undertakings under the Agreement;	<u>For Stage 1 of the Investment:</u> (a) The Investment and Shareholders Agreement was duly executed by the parties on 17 September 2017 and was further amended on 28 December 2017 to split Stage 3 of the Investment into two stages, namely Stage 3A and Stage 3B and to extend the completion dates for Stage 3 and Stage 4 of the Investment.

Conditions Precedent:	Satisfaction of Condition Precedent:
<p>(b) that Infiniti and/or its nominee performing and completing investment analyses and due diligence procedures on SHR and its subsidiaries (if applicable), and such results of analysis and due diligence being satisfactory to Infiniti and/or its nominee;</p> <p>(c) that all consents and approvals for the Agreement and the transactions contemplated therein, including without limitation, the respective board of directors and/or shareholders of each party (where necessary) have been obtained; and</p> <p>(d) that the Business Plan is delivered to Infiniti.</p>	<p>(b) Analysis Report on SHR dated 8 August 2017 issued by Skeel Advisors Pte Ltd.</p> <p>(c) Obtained on 17 September 2017.</p> <p>(d) Business Plan was delivered to Infiniti in July 2017.</p>
<p>The completion of each of stage 2, 3 and 4 of the Investment is subject to the satisfaction or waiver by Infiniti of certain conditions, including the following:</p> <p>(a) that all the terms and conditions stated therein continue to remain in full force and effect, and no party is in breach of any of their representations, warranties, obligations or undertakings under the Agreement;</p> <p>(b) that all relevant permits, consents, licences, approvals and authorisations necessary for SHR and its business as at the completion dates of stage 2, 3 and 4 of the Investment (as the case may be) have been obtained;</p> <p>(c) that, in relation to the completion of stage 2, SHR securing a pipeline of projects of not less than US\$200,000 requiring Hi-Rel engineering / testing services to SHR;</p> <p>(d) that, in relation to the completion of stage 3A and 3B, SHR securing an additional pipeline of projects of not less than US\$600,000 and US\$1,000,000 respectively requiring Hi-Rel engineering / testing services to SHR; and</p> <p>(e) that there being no material adverse change in the status, prospects, operations or financial condition of SHR and/or the parties occurring on or immediately before each of the completion dates of stage 2, 3 and 4 (as the case may be), and no governmental or court act, decree or order is made</p>	<p><u>For Stage 2 and Stage 3A of the Investment:</u></p> <p>(a) Confirmed.</p> <p>(b) SHR confirmed that it has obtained all relevant permits, consent, licenses, approvals and authorisations necessary to conduct its Hi-Rel business. Please also refer to the Company's response to question no. 11(ii) in the Company's response to SGX queries on 2 April 2018.</p> <p>(c) and (d): As disclosed in the Company's response to question no. 11(iii) in the Company's response to SGX queries on 2 April 2018, the total projects presented/reported on 17 October 2017 for the completion of Stage 2 investment was US\$280,000 while the total projects presented/reported on 28 December 2017 for the completion of Stage 3A investment was US\$370,555. The accumulated pipeline of projects presented for the completion of Stage 2 and Stage 3A investments was more than US\$600,000.</p> <p>(e) Confirmed as at completion dates of Stage 2 and Stage 3A Investment.</p>

Conditions Precedent:	Satisfaction of Condition Precedent:
which in each party's reasonable view may materially hinder the business of SHR and/or the performance by any of the parties of their obligations or undertakings under the Agreement or the transactions contemplated hereunder	

- (iv) As previously disclosed in the Company's response to question no. 11(iii) in the Company's response to SGX queries on 2 April 2018, the total projects presented/reported on 17 October 2017 for the completion of Stage 2 investment was US\$280,000 while the total projects presented/reported on 28 December 2017 for the completion of Stage 3A investment was US\$370,555. The accumulated pipeline of projects presented for the completion of Stage 2 and Stage 3A investments was more than US\$600,000.
- (v) Please refer to Annex 1.
- (vi) As previously disclosed in the Company's response to question no. 11(i) and 11(ix) in the Company's response to SGX queries on 2 April 2018, SHR commenced business on 1 March 2018 after officially moving into and occupying the Singapore facility at 8 Admiralty Street, #07-05/06 Admirax, Singapore 757438.
- (vii) As previously disclosed on 2 April 2018, one of SHR's major customers underwent an internal disruptive re-organisation, headcount reduction and cancellation of several internal projects which caused major disruptions to their approval and release processes for major projects targeted by SHR. These targeted projects were placed "on hold" until the fourth quarter of 2018. This adversely affected SHR's ability to meet its monthly revenue targets throughout most of 2018 and also delayed the completion of Stage 2 and Stage 3A projects. Major expenses incurred by SHR for the period from January 2018 to December 2018 were for the purposes of establishing and setting up the engineering facility and office area and hiring of new staff. In addition, SHR also incurred capital expenditures in acquiring the necessary test analysis tools and equipment. As such, SHR's net loss of S\$529,000 for FY2018 was mainly due to the loss in revenue for FY2018 arising from the delays and/or cancellations in securing the targeted projects from the major customer.
- (viii) Based on its unaudited management accounts, SHR generated revenue of approximately S\$85,000 for the period from 9 June 2017 (date of incorporation) to 31 December 2017 ("FY2017") and S\$49,000 for the period from 1 January 2018 to 31 December 2018 ("FY2018").

Query by SGX-ST:

2. In the statement of financial position, "Intangible assets" amounts to S\$15.8 million. Please:-
- Disclose the nature of these Intangible assets;
 - Provide a breakdown of each material Intangibles; and
 - Disclose the basis for the value of \$15.8 million. Please show the calculations on how this amount is derived.

Company's Response:

	Development cost (relating to exploration activities)	Computer software	Total
	S\$	S\$	S\$
Cost	19,155,573	31,121	19,186,694
Accumulated amortisation	(29,277)	(29,692)	(58,969)
Net book value	19,126,296	1,429	19,127,725
Less: Consolidation adjustment			(3,342,919)
Total intangible assets			15,784,806

As mentioned in the Note on page 1 of the Company's announcement dated 31 March 2019, the Group has recently completed its acquisition of a 60% shareholding interest in Tantalum Holding (Mauritius) Ltd (the "**Target Company**" or "**THM**") from REO Magnetic Pte. Ltd. (the "**Vendor**") (the "**Acquisition**"). As announced on 3 January 2019, the Vendor had on 28 December 2018, transferred its shares of the Target Company representing a 60% stake to ISR Global Pte. Ltd., a wholly-owned subsidiary of the Company (the "**Transfer**"). The consideration for the Acquisition, being 747,257,307 ordinary shares in the Company (the "**Consideration Shares**"), was also satisfied by the Company on the allotment and issue of the Consideration Shares to the Vendor on 3 January 2019. Notwithstanding that the Consideration Shares were allotted and issued to the Vendor subsequent to 31 December 2018, the Group was deemed to have acquired control over Tantalum Holding (Mauritius) Ltd ("THM") and its wholly owned subsidiary, Tantalum Rare Earth Malagasy S.A.R.L.U. ("**TREM**") upon the transfer of THM shares by the Vendor to the Group on 28 December 2018 (the "**Acquisition Date**"). Accordingly, the assets and liabilities of THM and TREM have been included and consolidated in the Group's unaudited consolidated financial statements for FY2018 based on the carrying amounts in their unaudited management accounts as at 31 December 2018. The Group will embark on a Purchase Price Allocation ("**PPA**") exercise in respect of the Acquisition and expects to finalise the PPA exercise within one year from the Acquisition Date. Accordingly, the fair values of assets and liabilities of THM and TREM on Acquisition Date shall be adjusted upon finalisation of the PPA exercise. At this juncture, in preparing the Group's unaudited consolidated financial statements for FY2018, the Group has not recognised any bargain purchase that may arise from the Acquisition.

Query by SGX-ST:

3. In the statement of financial position, "Other payables" amounts to S\$7.31 million. Please:-
 - i. Provide details on the goods and services purchased from these suppliers and the service providers;
 - ii. Provide a breakdown of the material items in comparison with corresponding period;
 - iii. Disclose the nature of each of the material items;
 - iv. Provide the aging schedule of these payables; and
 - v. Disclose whether there are related party debts.

Company's Response:

(i) to (iv):

Description and nature	2018	2017
	S\$	S\$
Accrued operating expenses	1,749,454	302,480
Advances from a bondholder	600,000	-
Bond interest payable	10,467	303
Provision for bonus	122,682	72,000
Provision for unutilised leave	63,144	22,500
Other payables	4,761,021	52,323
Total	7,306,768	449,606

The breakdown of material items and ageing of Other Payables are as follows:

		2018	2017
Suppliers/ Vendors	Ageing	S\$	S\$
REO Magnetic Pte Ltd (being purchase consideration payable for the Group's acquisition of 60% of THM)	0 - 30 days	2,989,029	-
Creditors of THM	> 120 days	499,789	-
Creditors of TREM	0 - 30 days	366,066	-
	31 - 60 days	57,298	-
	61 - 90 days	-	-
	90 - 120 days	-	-
	> 120 days	500,554	-
Total		4,412,736	-

- (v) The are no related party debts other than the provision for bonus and unutilised leave for key management personnel.

Query by SGX-ST:

4. In paragraph 8 of the Announcement, it was disclosed that “(t)he increase in interest income for FY 2018 as compared to FY 2017 was due mainly to the additional interest earned on further drawdowns by Tantalum Holding (Mauritius) Ltd (“THM”) and Tantalus Rare Earths AG (“TRE AG”) during FY 2018”.
- How much is the loan to THM?
 - How much was the additional drawdown by THM in FY2018?
 - How much is the loan to TRE AG?
 - How much was the additional drawdown by TRE AG in FY2018?
 - Did the Company seek shareholders’ approval under Chapter 10 of the Listing Manual?
 - Please explain why the Company is lending money to TRE AG. Does the Company have any interest in TRE AG? If not, how is it in the best interest of the Company to lend money to TRE AG?

Company's Response:

- The loan to THM was S\$6 million.
- The drawdowns made by THM in FY2018 was approximately S\$1.1 million.
- The loan to TRE AG was S\$679,135 (which was equivalent to EUR 420,000).
- The drawdowns made by TRE AG in FY2018 was S\$257,925 (which was equivalent to EUR 160,000).
- The Company is of the view that shareholders’ approval under Chapter 10 of the Listing Manual is not relevant given that it applies to acquisitions and realisations/disposals, and the provision of the loans are not an acquisition nor a realisation/disposal.
- The Company and Group do not have any interest in TRE AG. TRE AG required a loan for the following purposes:
 - To remain solvent and continue its operations and provide support in the management and operations of THM and TREM until the completion of the Company’s proposed acquisition of 60% of THM from REO Magnetic Pte Ltd (“REOM”);

- (b) To settle a legal dispute regarding the resolution of its extraordinary general meeting on 11 April 2016 which approved the sale of its shares in THM to REOM, failing which, the sale may be invalidated and may consequently further complicate the Company's proposed acquisition of 60% of THM from REOM.

Based on the above, the Board was of the view then that it was in the best interest of the Company to extend a loan to TRE AG.

Query by SGX-ST:

5. In paragraph 8 of the Announcement, it was disclosed that "Employee benefits expense increased by approximately S\$59,000 or 25.1% from S\$238,000 for Q4 2017 to S\$297,000 for Q4 2018; and decreased by approximately S\$50,000 or 6.0% from S\$831,000 for FY 2017 to S\$781,000 for FY 2018. This was mainly due to the reduction in headcount from six employees in FY 2017 to four employees in FY 2018 and the decrease was partially offset by the increase in provision for bonus and unutilised leave."
- Please provide the reasons for the increase in the provision for bonus and unutilised leave when losses increased from \$1.4 million to \$2.1 million in FY2018.
 - Please provide details on each of the bonus and unutilised leave and the significant increase of 25% in 4Q2018 to \$297,000 for 3 months when the Company only has 4 employees.
 - Please also disclose the reason for the significant bonus and unutilised leave and to whom was it paid to.
 - Please also disclose how the amount was calculated.

Company's Response:

(i) to (iv):

	2018	2017	Variance		Reasons
	S\$	S\$	S\$	%	
Provision for/(write-back of) unutilised leave	10,500	(2,500)	13,000	520.0	Provision made is in line with the Company's policy on accumulated leave carried forward.
Provision for bonus	122,000	72,000	50,000	69.4	Provision for bonus relates to two months' bonus accrued (inclusive of AWS bonus of one month) for employees including Executive Chairman and key management personnel. The bonus was provided in recognition of the employees' efforts in achieving the milestone of completing the Group's proposed acquisition of 60% of THM. Please note that notwithstanding the increase in provision for bonus, the employee benefits expense (which includes the provision for bonus) of S\$781,000 for FY2018 was lower than FY2017 by S\$50,000 or 6%.

Query by SGX-ST:

6. "Insurance expense" amounts to \$52,389. Please provide reasons for the significant increase in insurance expense.

Company's Response:

The increase in insurance expenses was mainly due to the increase in premiums charged by the insurers in respect of the Company's directors' and officers' liability insurance plan.

	2018	2017	Variance	
	S\$	S\$	S\$	%
Insurance	52,389	38,621	13,768	35.6

Query by SGX-ST:

7. "Travel and entertainment expenses" amounts to \$95,260. Please provide a breakdown of the payments made.

Company's Response:

A breakdown of the payments made is as follows:

Description	S\$
Accommodation	16,337
Entertainment and meals	5,158
Overseas transport (including flight tickets)	73,765
Total	95,260

Query by SGX-ST:

8. "Others" amounts to \$37,818. Please provide details on these "Others" expenses.

Company's Response:

The details on "Others" expenses are as follows:

Description	S\$
AGM expenses	638
General expenses (including out-of-pocket expenses charged by service providers and payment of input GST that are not claimable by the Group)	16,229
Meals	4,570
Transport (local)	1,316
Subscription	1,200
Printing and Stationery	679
Telephone, fax, postage and courier	12,023
Others	1,163
Total	37,818

Query by SGX-ST:

9. It was disclosed that “Other operating expenses increased by approximately S\$780,000 or 195.7% from S\$399,000 for Q4 2017 to S\$1,179,000 for Q4 2018 and increased by approximately S\$622,000 or 54.2% from S\$1.15 million for FY 2017 to S\$1.77 million for FY 2018. The increase was mainly due to the impairment loss on trade and other receivables of S\$79,000 and impairment loss on debt securities issued to Tantalus Rare Earths AG (“TRE AG”) of S\$679,000.”
- Please provide details on who are these trade and other receivables due from. Please identify the parties and provide the reasons for the impairment.
 - When were these trade and other receivables incurred? Are they due for more than 3 months?

Company's Response:

- The impairment loss on trade receivables of S\$71,000 relates to the impairment loss on the interest charged on debt securities extended to TRE AG.
- The interests due from TRE AG were charged for the period from 22 August 2017 to 31 December 2018 and were due on 31 December 2018.

Query by SGX-ST:

10. In paragraph 8 of the Announcement, it was also disclosed that “TRE AG has filed an application for insolvency proceedings and the Group is in the process of enforcing the share pledge provided by TRE AG over its shareholding interest of 15% in Tantalum Holding (Mauritius) Ltd (“THM”) in favour of the Group.”
- Please provide the dates when insolvency proceedings were filed. Has the Company announced this material information? If so, please provide the date of the announcement and the details of the current status of the proceedings.
 - Has the Company been able to enforce the share pledge provided by TRE AG to-date? If not, why is this not completed yet as the Company has security.
 - How much loan has been extended to TRE AG? Please provide details of the dates and the amounts of each of the loans/amounts extended to TRE AG.
 - Why did the Company extend funds to TRE AG and not directly to THM? What due diligence had been undertaken by the Board of Directors to ensure that the loan to TRE AG was in the best interest of the Company?

Company's Response:

- The Company understands that the insolvency proceedings of Tantalus Rare Earths AG (“TRE AG”) were filed on 13 February 2019. The Company did not announce this information as it did not consider this as a material information as the loan was secured by a share pledge provided by TRE AG over its shareholding interest of 15% in Tantalum Holding (Mauritius) Ltd (“THM”). Moreover, the Company has no involvement in TRE AG's insolvency proceedings, which is not within the Company's control.
- The Company is currently working with its legal advisers to enforce the share pledge and will make an announcement on this matter in due course.

- (iii) Please refer to the response to question no. 4(iv) above. The details of the dates and the amount of loan extended to TRE AG are as follows:

Date	Amount in EUR	Amount in SGD
22 August 2017	200,000	324,520
7 December 2017	60,000	96,690
3 January 2018	60,000	97,350
2 July 2018	50,000	80,555
6 August 2018	50,000	80,020
Total	420,000	679,135

- (iv) Please refer to the response to question no. 4(vi) above.

Query by SGX-ST:

11. It was disclosed that “(o)ther receivables increased by approximately S\$1.32 million or 2,674.0% from S\$49,000 as at 31 December 2017 to S\$1.37 million as at 31 December 2018. The increase was mainly due to the Madagascar value-added tax (“VAT”) input paid on goods or services incurred by Tantalum Rare Earth Malagasy S.A.R.L.U (“TREM”) that are carried forward until it is refunded or offset against VAT output.”
- What is the VAT imposed on?
 - When was it paid?
 - Is it refundable?
 - What is the time bar or conditions for refunds?

Company's Response:

- We understand that VAT is applicable to all transactions realised in Madagascar by a VAT vendor. Any corporate entity or individual person who realises an annual turnover exceeding Malagasy Ariary (“MGA”) 100 million is considered a VAT vendor. Services are considered to be performed in Madagascar if such services are used in Madagascar or invoiced to a taxpayer established in Madagascar.
- VAT was paid by TREM since it commenced its exploration activities in 2008.
- We understand that VAT is refundable for entities which export its production; in this case, TREM would seek the refund of VAT as soon as it commences exportation activities.
- TREM has continuously declared the VAT in its VAT returns. This is carried forward in the VAT returns submitted with the Malagasy tax authority. As mentioned in the response to question no. 11(iii) above, TREM would seek the refund of VAT as soon as it commences exportation activities.

Query by SGX-ST:

12. In the Announcement, it was disclosed that “(t)he Group has been reviewing and monitoring the progress of SHR since its initial investment in 2017. The final two stages, namely Stage 3B and Stage 4, may be completed within the financial year of 2019, upon achieving definite milestones”.
- Please disclose what these milestones are and provide basis for the Company’s views.
 - In view that the Company only has cash on hand of \$150K and is unable to collect its debts from THM and TRE AG, please disclose how much is expected to be paid for each of stage 3B and stage 4 and how will these amounts be funded.

Company's Response:

- (i) Pursuant to the Amendment Agreement dated 28 December 2017 (the "Amendment Agreement") and as announced on the same date, the milestone to be achieved under Stage 3B, as one of the conditions to completion, requires SHR to secure a cumulative pipeline of projects of not less than US\$1,000,000 requiring high reliability engineering / testing services by or before the Stage 3B completion date. There was no such milestone required for Stage 4 under the Amendment Agreement.
- (ii) The amount to be invested by Infiniti Advantage Pte. Ltd. in Stage 3B and Stage 4 is S\$670,000 and S\$670,000 respectively. These amounts may be funded through the Company's existing convertible redeemable bond programme, subject to the terms and conditions of the bond subscription agreement and subsequent supplemental agreements, in addition to other alternative ways or methods that the Company could undertake to raise funds for these investments.

Query by SGX-ST:

13. "SHR incurred a net loss of S\$529,855 for FY 2018." On 18 September 2017, the Company announced that it "has commissioned Skeel Advisors Pte. Ltd ("Skeel") to conduct business due diligence on SHR, including analysing the financial and profitability of the Hi-Rel Technology Centre, reviewing the proposed business operations, customers acquisition and capital expenditure execution, and identifying critical areas of potential weaknesses and investment failures".
- i. What was the projected profitability by Skeel back in Year 2017 for SHR?
 - ii. What resulted in SHR incurring a net loss of S\$529,855 for FY 2018?
 - iii. Please reconcile what was projected by the Advisors with the FY2018 results.

Company's Response:

- (i) As announced on 18 September 2017, based on the Analysis Report issued by Skeel Advisors Pte. Ltd. dated 8 August 2017, the net loss attributable to the Investment in the first year of operations was estimated to be US\$139,000 (approximately S\$189,000).
- (ii) Please refer to the response to question no. 1(vii) above.
- (iii) As mentioned in the response to question no. 1(vii) above, SHR's net loss of S\$529,000 for FY2018 was mainly due to the loss in revenue for FY2018 arising from the delays and/or cancellations in securing the targeted projects from a major customer.

On Behalf of the Board
ISR Capital Limited

Chen Tong
Executive Chairman

25 April 2019

Company's response to question no. 1(v):

	CUSTOMER	STAGE 1	STAGE 2 AND STAGE 3A			ORDERS			
						CANCELLED/ POSTPONED	PENDING APPROVAL	COMPLETED	CONFIRMED BUT NOT YET COMPLETED
						US\$	US\$	US\$	US\$
ORDERS	CUSTOMER A	N/A	(OCT.2017) USD\$225,000 for Test Consulting Services -- PO was suspended by customer in Jan.2018 due to internal re-organization and internal project review cancellations. PO formally cancelled by customer in June.2018	(AUG.2018) New development projects begin and completed by end of 2018 totalling USD\$11,000	(Mar.2019) Orders received in 2019 and already completed total USD\$50,575. (April.2019) Orders received but still in-progress (to be completed by May.2019 total USD\$82,500 (April.2019) Quotations issued and pending approval (to be decided by June.2019 and completed before end of 2019) total USD\$485,000	225,000	485,000	61,575	82,500
	CUSTOMERS B, C AND D	N/A	(OCT.2017-DEC.2017) Customers B, C and D had orders which were completed before Dec.31.2017 totalling USD\$18,500	--	--	-	-	18,500	-
	CUSTOMER E	--	--	(AUG.2018) New development project begins and is completed Dec.2018 totalling USD\$ 20,000. At the start of project the total 2018 estimate was USD\$115,000; however due to the customer's device issues and re-design delays, the remaining amount has been moved into 2019	(Mar.2019) New development project order received to be completed by May.2019 totals USD\$25,000 (April.2019) Production manufacturing is projected by the customer to initiate in June/July.2019 and will be (estimated) USD\$25,000/month through-out 2019	115,000	150,000	20,000	25,000
	CUSTOMER F	--	--	(AUG.2018) MOU and Quotation for USD\$310,000 signed and approved by customer for a development project to span from AUG.2018--MAR.2019. Due to customer financial issues the project did not commence in Sept.2018 as planned.	--	310,000	-	-	-
	CUSTOMER G	--	--	(OCT.2018) MOU/LOI and Quotation for USD\$400,000 signed and approved by customer for joint project development to span from OCT.2018 to MAR.2019. Customer withdrew from agreement after their key end-customer also withdrew.	--	400,000	-	-	-
	CUSTOMER H	--	--	--	(April.2019) Quotation issued and awaiting approval (to be completed by June 2019) total USD\$67,000	-	67,000	-	-
						1,050,000	702,000	100,075	107,500

	STAGE 2 US\$	STAGE 3A US\$	TOTAL US\$
Orders previously confirmed on completion date of each Stage:	280,000	370,555	650,555
Orders completed:			(100,075)
Orders confirmed by not yet completed:			(107,500)
Remaining orders to be fulfilled and completed for Stage 2 and 3A:			442,980