M M P RESOURCES LIMITED

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

OPERATIONS AND MANAGEMENT AGREEMENT ENTERED INTO WITH JRT TRADING LIMITED

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1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of MMP Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, MMP Resources Japan K.K. ("**MMPRJ**") had entered into an operations and management agreement (the "**Agreement**") with JRT Trading Pty Ltd ("**JRT**") in respect of the operations of the Chisenupuri Ski Area (the "**Business**").

MMPRJ and JRT will jointly operate the Business for the 2016/17 winter season. MMPRJ will commit ¥12,000,000 approximately S$156,000 (at an exchange rate of ¥1 = S$0.013) for the season, with such funds to be used for the operational expenses incurred by MMPRJ and JRT, and JRT shall provide the required pre-season equipment and personnel to transport clients through the ski area. Pursuant to the Agreement, MMPRJ has the option to become the exclusive operator of the Business from 1 April 2017 for a sum of ¥2,500,000 which is approximately S$32,500 (the "**Option**").

The Agreement is subject to JRT providing all necessary authorisations and insurance, as well as providing MMPRJ with an approved business plan for the 2016/17 winter season.

The Company will utilise funding from its recently completed placement of shares to Blue Pegasus Capital Ltd and Vessel Gate Investment Pte. Ltd. to finance this transaction.

MMPRJ will comply with Japanese and Singapore accounting standards and will hold and receive funds in Japanese Yen.

2. INFORMATION ON JRT

JRT is a 10-year old premier mechanised ski (Heli and Snowcat) operator, and manages a ski lodge, a Hokkaido tour business and rental business based in Higashiyama, a town located in Niseko, Abuta District, Shiribeshi Sub prefecture, Hokkaido, Japan and is generally in the business of backcountry ski operations and management, including the provision of ski tours and rental. JRT was recently awarded the World's Best Heli Ski Operator in 2016 by the World Ski Awards in Kitzbühel.

3. RATIONALE OF ENTERING INTO THE AGREEMENT

The entry by MMPRJ into the Agreement is in line with the Group's consistent corporate strategy focused on construction opportunities, asset acquisitions and brand growth in Tier-1 markets, with a specific focus on the Travel, Hospitality and Leisure ("**THL**") industry.

The rationale for entry by MMPRJ into this Agreement is for the redevelopment of the Business into a premium retail asset, providing local and international skiers and snowboarders with a world class backcountry powder experience, coupled with multi ability terrain and an ease of access from significant hotel and accommodation infrastructure. By continuing to adopt a hybrid strategy of redevelopment and operational partnerships, the Company believes that the Group will enjoy more immediate cash flows, as well as being able to participate in the upside of the enhanced value proposition of an operating and profitable business.

Due to the near-constant storm cycles from neighbouring Siberia, the mountains around Niseko, which includes the Chisenupuri area, are globally renowned for having some of the most consistent, lightest powder in the world. Averaging close to 590 inches of snow a year, Niseko is famous for its abundant, lightly skied off-piste terrain, which is still regarded as being underdeveloped.

Besides the attractive ski slopes, Chisenupuri encompasses a former government operated two storey ski centre, as well as a mothballed ski lift and extensive mechanical repair and maintenance facilities. All of these structures will be open to redevelopment, as well as repurposing depending on the findings from this initial year of operations.

Adding to the attractiveness of Chisenupuri is its 270m proximity to the Company's recently acquired "onsen" experience lodge accommodation. The Company further believes that the location of the property in Niseko, Hokkaido, Japan and the local THL industry has a promising outlook based on a recently published article by Bloomberg Markets on 25 August 2016 which stated the following:-

(a) "The number of foreign tourists has increased more than 10-fold over the past 11 years. The majority of tourists last year were drawn from Asia, led by Hong Kong, with about 35,000, followed by China with around 30,000, then Taiwan and Australia".

(b) "Residential land prices in the town are increasing at the fastest pace in Japan, surging 20 percent as of January, compared with a decline overall in Japan."

(c) "The area has the most snowfall on average of any major resort in Asia, and second-highest in the world, behind only Mount Baker in Washington State. Niseko was rated the best ski resort in Japan in 2015 for the third year in a row by the World Ski Awards".

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their respective shareholdings, if any, in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Agreement.

5. REPONSIBILITY 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 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 this 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 this announcement in its proper form and context.

BY ORDER OF THE BOARD

Paul Andrew Crosio
Executive Director
29 November 2016