


General Announcement::MINING OPERATIONS - EXPIRY OF MINE 1 MINING RIGHT AND APPLICATION FOR RENEWAL

Issuer & Securities

Issuer/ Manager	ASIAPHOS LIMITED
Securities	ASIAPHOS LIMITED - SG2G24997246 - 5WV
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Announcement Details

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Submitted By (Co./ Ind. Name)	Kenneth Leong
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below)	Please refer to the attached.
Attachments	 20161227_AsiaPhos_Mine1_MiningRightExpiry.pdf Total size =246K

MINING OPERATIONS – EXPIRY OF MINE 1 MINING RIGHT AND APPLICATION FOR RENEWAL

Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the offer document registered by the Singapore Exchange Securities Trading Limited (“SGX-ST”) acting as agent on behalf of the Monetary Authority of Singapore on 25 September 2013.

The Board of Directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 8 January 2016 in relation to the renewal of the Mine 1 Mining Right till 25 December 2016, the Sichuan Land Department (the “**Authority**”) urging Mianzhu Norwest to increase its approved production scale for Mine 1 to 150,000 tonnes per year by 25 December 2016 and Mianzhu Norwest’s application to increase the approved production scale for Mine 1 from 50,000 tonnes per year to potentially 400,000 tonnes per year via a conversion of the Mine 1 exploration right into a mining right (the “**Conversion Application**”).

The Board wishes to inform that Mianzhu Norwest had also on 16 December 2016, applied to the Authority for the renewal of the Mine 1 Mining Right (the “**Renewal Application**”).

As at the date of this announcement, the Conversion Application and the Renewal Application are pending approval by the Authority and the Company believes that the Renewal application is procedural in nature as the Group has not encountered any material difficulties in obtaining and/or renewing such permits in the past. The approval for the Conversion Application has not been obtained as it is currently pending the completion of the review of the environmental report by the Deyang City Environmental Bureau.

In the event that the Group ceases mining activities in relation to Mine 1 pending the Authority’s approval on the Renewal Application, the Group’s mining output and its financial performance for the current financial year ending 31 December 2016 is not expected to be adversely affected. However, in the event that the Group loses its Mine 1 Mining Right, the Group’s estimated measured resource as at 31 December 2015, as set out in the report dated 9 March 2016 issued by Watts, Griffis and McOuat Limited, would decrease by approximately 2.7 million tonnes. NI 43-101 does not allow the inclusion of inferred resources as part of the mineral resources total and no inferred mineral resources were included in the financial projections.

The Company will keep Shareholders updated on the Renewal Application and the Conversion Application and make further announcements as and when there are material developments in relation thereto.



Shareholders and potential investors are advised to exercise caution when trading in the Company's shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Simon Ong Eng Hock
Executive Director
AsiaPhos Limited

27 December 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST.*

The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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