

General Announcement::RECEIPT OF NOTICES IN RELATION TO MINE 2 AND THE FENG TAI MINE

Issuer & Securities

Issuer/ Manager	ASIAPHOS LIMITED
Securities	ASIAPHOS LIMITED - SG2G24997246 - 5WV ASIAPHOS LIMITED W200323 - SG5DS5000008 - 1C9W
Stapled Security	No

Announcement Details

Announcement Title	General Announcement
Date & Time of Broadcast	28-Jun-2017 20:56:01
Status	New
Announcement Sub Title	RECEIPT OF NOTICES IN RELATION TO MINE 2 AND THE FENG TAI MINE
Announcement Reference	SG170628OTHRP4NQ
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	 20170628 AsiaPhos SGXNET Mine Operations Updates.pdf Total size =273K

Like 0

Tweet

G+1 0

Share

RECEIPT OF NOTICES IN RELATION TO MINE 2 AND THE FENG TAI MINE

Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the offer document dated 25 September 2013 and 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.

Introduction

The Board of Directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”) wishes to announce that the Group had received the following notices:

- (i) the Group’s wholly-owned subsidiary, Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd. (“**Mianzhu Norwest**”), and its 55%-owned subsidiary, Deyang Fengtai Mining Co. Ltd (“**Deyang Fengtai**”), had received notices dated 26 June 2017 and 27 June 2017 (the “**Water and Environmental Notices**”) from the Mianzhu Water Authority (绵竹市水务局) and the Mianzhu City Environmental Protection Bureau (绵竹市环境保护局), respectively, requiring them to, *inter alia*, submit plans on water and soil conservation in relation to the mining operations on Mine 2 and the Feng Tai mine for approval, and
- (ii) Mianzhu Norwest had received a notice dated 26 June 2017 from the Mianzhu Forestry Bureau (绵竹市林业局) requiring it to vacate the relevant portion of the land within Mine 2 which is located in the Fa Mu Chang Forest Area (德阳市伐木厂林区) (“**Forestry Bureau Notice**”),

(collectively, the “**Notices**”).

Water and Environmental Notices

Under the Water and Environmental Notices, Mianzhu Norwest and Deyang Fengtai are required to halt mining operations on Mine 2 and the Feng Tai mine with effect from the date of the said notices and submit their respective plans on water and soil conservation for approval. The Group can only resume mining operations on Mine 2 and the Feng Tai mine upon receipt of the approvals from the Mianzhu City Environmental Protection Bureau.

As a result of the rainy season, the Group had ceased mining operations on Mine 2 in the middle of June 2017 and is expected to resume operations upon the end of the rainy season, which is expected to be by end of September 2017. With respect to the Feng Tai mine, the Group has yet to commence mining operations as at the date of this announcement.

The Group has engaged the relevant professional parties to work on the plans to comply with the Water and Environmental Notices. Until the exact scope of the plans has been determined, the Group is unable to estimate how much time it will require to implement and submit the plans to fully comply with the requirements of the Mianzhu Water Authority and the Mianzhu City Environmental Protection Bureau.

In the event that the Group is unable to obtain the requisite approvals to resume operations at Mine 2 by the end of the rainy season, the Group believes that it will still have sufficient inventory of phosphate rocks, either mined internally or acquired from external sources, to meet its P₄ production requirements for the remainder of the current financial year ending 31 December 2017 (“**FY2017**”).



Forestry Bureau Notice

The Group is currently assessing the impact arising from the Forestry Bureau Notice and will make further announcement(s) when it has completed its assessment.

Financial Effects

For the reasons set out in this announcement, the receipt of the Notices is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for FY2017.

Further Announcements

Based on discussions with the relevant authorities, the management understands that the Notices has been / will be issued to the applicable companies which conduct mining operations in the Mianzhu area.

The Company will make further announcements as and when there are material developments in relation to the Notices.

Shareholders and potential investors should 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

28 June 2017

This announcement has been prepared by the Company and its contents have been reviewed by United Overseas Bank (the "Sponsor") for compliance with the relevant rules of SGX-ST. The Sponsor has not independently verified the contents of this announcement and has not drawn on any specific technical expertise in its review of this announcement.

The announcement has not been examined or approved by SGX-ST. The Sponsor and 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.

The contact person for the Sponsor is Mr Lim Hoon Khiat, Director, Equity Capital Markets who can be contacted at 80 Raffles Place #03-03 UOB Plaza 1 Singapore 048624, telephone: +65 6533 9898.

