

General Announcement::MINING OPERATIONS - EXPIRY OF FENGTAI EXPLORATION RIGHT

Issuer & Securities

Issuer/ Manager	ASIAPHOS LIMITED
Securities	ASIAPHOS LIMITED - SG2G24997246 - 5WV ASIAPHOS LIMITED W200323 - SG5DS5000008 - 1C9W
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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	📎 Asiaphos - Expiry of FengTai Exploration Right final.pdf Total size =136K

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MINING OPERATIONS – EXPIRY OF FENGTAI EXPLORATION RIGHT

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 acting as agent on behalf of the Monetary Authority of Singapore on 25 September 2013 and the SGXNET announcements dated 22 April 2014, 8 July 2016, 24 November 2017 and 4 December 2017 in relation to the Company's updates on the Feng Tai Mine.

The Board of Directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”) wishes to update Shareholders on the following:

1. EXPIRY OF THE FENGTAI EXPLORATION RIGHT

On 8 July 2016, the Company announced that the FengTai Licence for the exploration of barite was renewed for a period of two years from 12 December 2015 to 12 December 2017 and has a land area of 12.43 square kilometres.

2. APPLICATION OF RENEWAL OF THE FENGTAI EXPLORATION RIGHT

On 24 November 2017, the Company announced that the Group had been requested to provide a letter of undertaking to, *inter alia*, vacate and rehabilitate its mining sites in respect of Mine 2 and the Feng Tai Mine.

The Group has been advised by its PRC legal advisers that until such time when the Group receives a formal expropriation notice from the Authority, it should submit such application for the renewal of the Group's exploration permit for the Feng Tai Mine.

On or around 8 December 2017, Deyang FengTai Mining Co. Ltd submitted an application to the Authority for a renewal of the Group's exploration permit for the Feng Tai Mine, for a period of two years. As at the date of this Announcement, the Feng Tai Mine has yet to commence operations.

As set out in the Company's announcements dated 24 November 2017 and 4 December 2017, the Group is currently in negotiations with the Sichuan Provincial Government Officials for a settlement. It is currently not possible to provide an estimate on the potential financial effects of the non-renewal of the exploration right for the Feng Tai Mine. This is because the compensation amount, which is subject to negotiation and PRC laws, cannot be determined with reasonable certainty due to the reasons set out in the Company's announcement dated 24 November 2017.

3. FURTHER ANNOUNCEMENTS

The Company will make such further announcements at the appropriate juncture, as and when there are material developments in relation to this matter.

The Board confirms that all material disclosures, facts and information (including but not limited to disclosures pertaining to, *inter alia*, material operations and business of the Group, mining operations, and mining and exploration rights) have been provided and announced. The Board is not aware of any facts, information or disclosures, the omission of which would make any statement in this Announcement or previous announcements or disclosures misleading in any material respect.



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

13 December 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange assumes 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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