

UPDATE ON USE OF PROCEEDS

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

The Board of Directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”) and together with its subsidiaries the “**Group**”) wishes to provide an update on the use of proceeds raised by the Company from the issue of new shares pursuant to the Company’s initial public offering (“the “**IPO**”) on Catalist. In accordance with the section entitled “Use of Proceeds” of the Offer Document, the Company wishes to announce the status of the use of net proceeds as follows:

Description	Amount allocated (as disclosed in the Offer Document)	Amount utilised as at the date of this announcement	Balance of net proceeds as at date of this announcement
	S\$’000	S\$’000	S\$’000
Development and expansion of the Mining Operations	8,500	(2,211)	6,289
Financing the balance of Phase 1 and Phase 2 of the Rebuilding Programme	11,499	(8,274)	3,225
Working capital	1,553	(7,778)	(6,225)
Net proceeds	21,552	(18,263)	3,289

Out of the \$7.8 million utilised as working capital at the date of this announcement, an amount of \$0.2 million was in relation to the listing expenses incurred in addition to the estimated expenses of \$2.8 million as disclosed in the Offer Document.

Pending the deployment of proceeds for the allocated amount for Mining Operations and Phase 2 of the Rebuilding Programme, the Group has utilised \$7.6 million from the IPO proceeds for working capital to fund (i) the purchases of materials and supplies; (ii) the production of rocks and P₄; (iii) repayment of bank borrowings and (iv) credit extended to customers for sale of rocks and P₄. The Group has only received the land use certificate for the Phase 2 land dated 28 February 2015, in March 2015.

BY ORDER OF THE BOARD

Simon Ong Eng Hock
 Executive Director
 AsiaPhos Limited

31 March 2015



*This announcement was prepared by the Company and the contents were 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 (the "**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.

The contact persons for the Sponsor are Mr Khong Choun Mun, Managing Director, Corporate Finance and Mr Low Han Keat, Senior Director, Corporate Finance, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.

