
MINING OPERATIONS – UPDATE ON EXPIRY OF MINE 1 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 (the “Offer Document”).

The Board of Directors (the “Board”) of AsiaPhos Limited (the “Company”) refers to the announcement dated 10 April 2014 under the header “**MINING OPERATIONS - EXPIRY OF MINE 1 EXPLORATION RIGHT AND EFFECT OF LANDSLIDE IN SICHUAN PROVINCE, PRC**” and wishes to update the Shareholders as follow:

UPDATE ON THE EXPIRY OF MINE 1 EXPLORATION RIGHT

As disclosed previously, the Company’s wholly-owned subsidiary, Mianzhu Norwest, has been granted (i) for Mine 1, (a) a mining right relating to 1.6491 square kilometres; and (b) an exploration right relating to 0.55 square kilometres (“**Mine 1 exploration area**”) (“**Mine 1 exploration right**”); and (ii) for Mine 2, (a) a mining right relating to 2.0237 square kilometres; and (b) an exploration right relating to 1.28 square kilometres, and further, that the Mine 1 exploration right expires on 9 April 2014.

The current application made in or around December 2013 with the Sichuan Land Department (“Authority”) to have the Mine 1 exploration area expanded to approximately 1.54 square kilometres (“**Expansion Application**”) is still pending an official reply from the Authority.

Also as previously disclosed, it was expected that, barring unforeseen circumstances, the Expansion Application will be granted in due course. Based on the status of the Expansion Application extracted from the official website of the Sichuan Government Affairs Service Hall (四川省政务服务大厅), a decision from the Authority was expected to be received within 40 business days from 10 April 2014 being 9 June 2014. Mianzhu Norwest tried to confirm the status of the application with the Authority on 9 June 2014 and did not receive any negative indication and was further advised to wait for the official reply.

The Company will keep Shareholders updated on the Expansion Application in due course. The Company will also make further announcements as and when there are material developments on the above.

Shareholders should note that in the event that the Company ceases activities in relation to the Mine 1 exploration area pending the Authority’s decision on the Expansion Application, and the Authority does not grant the Expansion Application, the Group’s mining output, and correspondingly, the Group’s financial performance for the financial year ending 31 December 2014 may be adversely affected.

Director’s responsibility statement

The Directors (including any Director who may have been delegated detailed supervision of the preparation of this announcement) have collectively and individually reviewed and approved the issue of this announcement, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate in all material aspects and that no material facts have been omitted from this announcement which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.





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Where any information contained in this announcement has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

BY ORDER OF THE BOARD

Simon Ong Eng Hock
Executive Director
AsiaPhos Limited

9 June 2014

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 6539 1177.

