

**FOR IMMEDIATE RELEASE**

**Summary of Financial Results for the 3 months ended 31 March:**

\$'000	1Q2016	1Q2015	+ / (-) %
<b>Revenue</b>			
- <b>Upstream Segment</b>	1,708	3,782	(55)
- <b>Downstream Segment</b>	274	2,496	(89)
	1,982	6,278	(68)
<b>Gross Profit</b>	493	1,576	(69)
<b>Loss Before Tax</b>	(915)	(59)	
<b>Net Loss for the Period</b>	(915)	(121)	

*"N.M" denotes not meaningful.*

**SINGAPORE – 29 April 2016 – AsiaPhos Limited** ("**AsiaPhos**" or the "**Company**", and together with its subsidiaries, the "**Group**"), a Singapore-headquartered mineral resources company focused on exploring and mining phosphate with a vertically-integrated business model, reported its unaudited financial results for the first quarter ended 31 March 2016 ("**1Q2016**").

In 1Q2016, the Group recorded revenue of \$2.0 million and net attributable loss of \$0.9 million, compared to revenue of \$6.3 million and net attributable loss of \$0.1 million in the corresponding period last year ("**1Q2015**").

Due to the strong sales of phosphate rocks in the financial year ended 31 December 2015 ("**FY2015**"), there was minimal inventory rolled over for sale in 1Q2016, which is a seasonally slow quarter as no mining activities are conducted in the winter months of December to March. Comparatively, in 1Q2015 the Group benefitted from inventory rolled over from the financial year ended 31 December 2014, leading to higher revenue derived from the sales of phosphate rocks and elemental phosphorus ("**P<sub>4</sub>**").

Consequently, revenue from the upstream segment declined by 55% to \$1.7 million in 1Q2016, from \$3.8 million in 1Q2015. The Group had sold 25,800 tonnes of phosphate rocks in 1Q2016, compared to 47,000 tonnes in 1Q2015, and average selling prices of phosphate rocks in 1Q2016 were also lower as the rocks sold in 1Q2016 were of lower quality.

Revenue from the downstream segment was lower at \$0.3 million in 1Q2016, against \$2.5 million in 1Q2015, due to the absence of revenue from sale of P<sub>4</sub> as the Group had no inventory of P<sub>4</sub> available for sale in 1Q2016. In 1Q2015, the Group had sold 780 tonnes of P<sub>4</sub>.

As a result of the above, the Group's gross profit decreased to \$0.5 million in 1Q2016, from \$1.6 million in 1Q2015.

**Commenting on the results, Dr Ong Hian Eng (王显荣博士), Chief Executive Officer of AsiaPhos Limited said,**

“The financial performance in 1Q2016 is not expected to be representative for the remainder of the current financial year ending 31 December 2016 (“**FY2016**”). Our rock production resumed in late March 2016 and P<sub>4</sub> production in end April 2016. We intend to increase our rock production this year which should contribute positively to our cash flows and profits in FY2016.”

Since mining resumed in March 2016, the initial mining output run-rate is showing a promising growth trend with average daily output in April 2016 increasing to about 2,300 tonnes compared to the daily average of about 1,400 tonnes in FY2015. This is an indication that previous investments in mining infrastructure improvements are delivering better results. Prices of phosphate rocks are expected to remain stable for the rest of the year.

The Group had signed a non-binding memorandum of understanding with a major fertiliser producer in Sichuan, the People's Republic of China (the “**PRC**”), which has indicated that it intends to purchase at least 60% of the Group's annual mining output in FY2016. The Group is currently in preliminary discussions with regard to the formal terms and conditions of such an arrangement and no definitive agreement has been entered into in relation thereto.

As for the downstream segment, the price outlook for P<sub>4</sub> in FY2016 is expected to remain challenging, and management will continue to monitor the situation and take steps to ensure the economic production and profitability of P<sub>4</sub>.

There have been changes in the regulations governing electricity tariff structure and the Group has obtained cheaper electricity which will positively impact our production cost.

The Group has also carried out improvements to one of its furnaces in 1Q2016 to enhance production efficiency and lower electricity consumption during the production process.

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### **About AsiaPhos Limited**

*AsiaPhos Limited was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 7 October 2013, and is the first mineral resources company listed on the SGX-ST which is solely focused on exploring and mining phosphate in the PRC with the ability to manufacture and produce phosphate-based chemical products. To make full use of phosphate, which is a valuable and non-renewable natural resource, AsiaPhos is adopting a vertically-integrated strategy which comprises the mining of phosphate rocks from its existing mines and the production of phosphate-based chemical products. Led by a management team with more than 13 years of relevant experience in their respective fields, the Group currently owns exploration and mining rights to two mines and has started downstream processing activities in its new Gongxing site.*

### **Issued for and on behalf of AsiaPhos Limited by August Consulting**

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***This press release should be read in conjunction with the Company’s announcement dated 29 April 2016 in relation to the unaudited financial statements for the first quarter ended 31 March 2016.***

*This press release 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 SGX-ST. The Sponsor has not independently verified the contents of this press release.*

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