

ASIAPHOS

Corporate Presentation & Investor / Analyst Briefing



February 2016



DISCLAIMER

This presentation should be read in conjunction with the:

- Unaudited financial statements announcement of AsiaPhos Limited for the fourth quarter and financial year ended 31 December 2015, dated 15 Feb 2016
- Audited financial statements announcement of AsiaPhos Limited for the full year ended 31 December 2014, dated 27 March 2015
- Offer document of AsiaPhos Limited dated 25 September 2013 (the “Offer Document”)

This presentation is prepared by the Company for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this presentation is not to be construed as investment or financial advice, and does not constitute an offer or an invitation to invest in the Company.

The information is current as of its date and shall not, under any circumstances, create any implication that the information contained therein is correct as of any time subsequent to the date thereof or that there has been no change in the financial condition or affairs of the Company since such date. The information and opinions contained in these materials are provided as at the date of this presentation and are subject to change without notice. There is no undertaking by the Company to post any such amendments or supplements on this presentation. The information herein has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness, of the information or opinions contained herein.

In addition, the information contains projections and forward-looking statements that reflect the Company’s current views with respect to future events and financial performance. These views are based current assumptions which are subject to various risks and uncertainties which may change over time and in many cases are outside the control of the Company and its directors and may cause actual results to differ materially from those projected. No assurance can be given that future events will occur, that projections will be achieved, or that the Company’s assumptions are correct. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Company’s current view of future events.

Words and expressions not defined in this presentation have the same meaning as defined in the Offer Document, unless the context requires otherwise.

The Company will not be responsible for any consequences resulting from the use of this presentation as well as reliance upon any opinion or statement contained herein or for any omission. The Company nor its advisors make any representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein. This document may not be used or relied upon by any other party, or for any other purpose, and may not be reproduced, disseminated or quoted without prior written content of the Company.

This presentation 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 presentation.

This presentation has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this presentation, including the correctness of any of the statements or opinions made or reports contained in this presentation.

The contact person for the Sponsor is Mr Khong Choun Mun, Managing Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.



Table of Contents

Executive Summary / Overview

- IPO (7 Oct 2013)
- Upstream Segment – Mining Output
- Investment Merits

Our Business

- Our Vertically-Integrated Business Strategy
- Location of Mines and Production Plants
- Exploration and mining licences
- Independent Resource Estimate
- Gongxing Production Facilities
- Rebuilding Programme (Phase 1: P4 factory)
- Photos: From Mines to Factory
- Factory Layout (Phase 1)
- Competitive Strengths: Higher Quality Phosphate Rocks

Recent Developments

- Acquisition of LY Resources Pte Ltd (“LYR”)
- Receipt of Land Use Rights for Phase 2 Land
- Reduction in Mining Surcharge
- Mian Mao Highway expected to improve access / haulage road
- Recent investor relations activities / Roadshows

Industry trends and Prospects

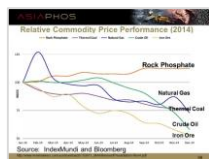
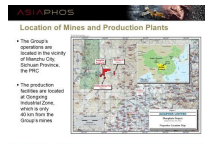
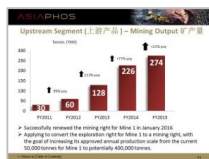
- Relative Commodity Price Performance (2014-2015)
- China: Phosphate Rock Production statistics
- Selected articles relating to China Phosphate Market
- Report: China adapts to ‘new normal’ of dwindling high grade phosphate reserves

Financial Highlights

- Income Statement Highlights
- Upstream Segment - Revenue
- Downstream Segment - Revenue
- Balance Sheet
- Investment Merits

About Phosphate

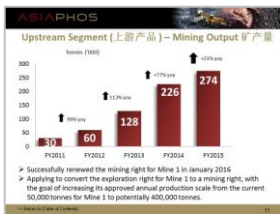
- What is Phosphate?
- Why Phosphate?
- Food & Nutrition Security
- Uses of Phosphate and Related Chemicals





Key messages

1. Strong growth momentum continues
2. Improving financial performance, and stronger operating cash flows. Declared first dividend in respect of FY2015.
3. Completion of LYR acquisition is expected to expand exploration and mineral resource base (and Improved Cash flows, from removal of Dashan Profit Share)
4. Reduction in mining surcharge is contributing to better margin
5. Recent favourable policies in China indicate a Positive outlook for phosphate and related chemical products



| Item | FY2015 | FY2014 | FY2013 |
|---------------------------|--------|--------|--------|
| Revenue (百万元) | 11,881 | 11,181 | 11,181 |
| Operating Profit (百万元) | 2,046 | 2,046 | 2,046 |
| Net Profit (百万元) | 1,500 | 1,500 | 1,500 |
| Operating Cash Flow (百万元) | 2,046 | 2,046 | 2,046 |





Extract from Press Release: FY2015 Results

AsiaPhos continues on growth track with revenue up 51% in 4Q2015

- *Declare final dividend of 0.1 cent per ordinary share for FY2015*
- *Gross profit rose 23% while net profit declined due to a non-recurring accounting gain in 4Q2014 relating to the acquisition of LY Resources Pte Ltd*

Summary of Financial Results For the Period Ended 31 December:

| S\$'000 | 4Q2015 | 4Q2014 | +/(-) % | FY2015 | FY2014 | +/(-)% |
|-------------------------|--------|--------|---------|--------|--------|--------|
| Revenue | 16,839 | 11,125 | 51 | 44,505 | 23,822 | 87 |
| - Upstream | 5,837 | 5,996 | (3) | 17,957 | 12,731 | 41 |
| - Downstream | 11,002 | 5,129 | 115 | 26,548 | 11,091 | 139 |
| Gross Profit | 3,190 | 2,585 | 23 | 8,487 | 4,684 | 81 |
| Other income | 4,863 | 20,834 | (77) | 6,378 | 21,781 | (71) |
| Profit before tax | 4,760 | 20,747 | (77) | 3,027 | 19,484 | (84) |
| Net attributable profit | 4,309 | 20,761 | (79) | 2,209 | 19,498 | (89) |

SINGAPORE – 15 February 2016 – AsiaPhos Limited (“AsiaPhos” 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 a 51% year-on-year (**“y-o-y”**) growth in revenue to S\$16.8 million for the quarter ended 31 December 2015 (**“4Q2015”**), driven by strong contribution from its downstream segment.

Stronger operating cash flows ...



| | Group | | | |
|---------------------------------------------------------------------|-------------------------------------|----------------|-------------------------------------|-----------------|
| | Fourth Quarter Ended 31 December | | Financial Year Ended 31 December | |
| | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 |
| Cash flows from operating activities : | | | | |
| Profit/(Loss) before taxation | 4,760 | 20,747 | 3,027 | 19,484 |
| Adjustments for : | | | | |
| Depreciation expenses | 1,458 | 653 | 3,265 | 1,346 |
| (Gain)/loss on disposal of property, plant and equipment | (26) | (105) | (26) | (105) |
| Amortisation expenses | 65 | 62 | 304 | 240 |
| Interest expense | 270 | 264 | 1,101 | 899 |
| Interest income | (5) | (474) | (1,093) | (1,292) |
| Fair value gain | (4,700) | (20,203) | (4,850) | (20,203) |
| Unrealised exchange loss/(gain) | (235) | 136 | 41 | (129) |
| Amortisation of deferred income | (26) | (8) | (77) | (40) |
| Write down of property, plant and equipment | - | 92 | - | 92 |
| Termination of pre-existing contract | - | - | 2,429 | - |
| Operating profit/(loss) before working capital changes | 1,561 | 1,164 | 4,121 | 292 |
| (Increase)/decrease in stocks | 4,260 | 360 | 6,283 | (3,114) |
| (Increase)/decrease in receivables | (1,243) | 1,182 | (1,876) | 350 |
| Increase/(decrease) in payables | (1,019) | (596) | 539 | 188 |
| Cash (used in)/generated from operations | 3,559 | 2,110 | 9,067 | (2,284) |
| Interest received | 1,865 | 5 | 1,874 | 42 |
| Interest paid | (51) | (45) | (962) | (315) |
| Tax paid | (177) | - | (436) | - |
| Net cash flows (used in)/generated from operating activities | 5,196 | 2,070 | 9,543 | (2,557) |
| Cash flows from investing activities : | | | | |
| Payments for property, plant and equipment | (1,412) | (121) | (5,961) | (6,214) |
| Receipt of government grant | - | - | 20 | - |
| Payment for land use rights | - | - | (123) | - |
| Purchase of convertible loan note | - | - | - | (15,000) |
| Proceeds from sale of trial products | - | - | - | 6,532 |
| Payments made in advance for land use rights | - | (1,236) | - | (1,236) |
| Payments made in advance for property, plant and equipment | - | - | - | (207) |
| Proceeds from disposal of property, plant and equipment | 101 | 205 | 101 | 205 |
| Payment of deposit | - | - | - | (107) |
| Net cash inflow on acquisition of subsidiary | - | - | 52 | - |
| Net cash flows (used in)/generated by investing activities | (1,311) | (1,152) | (5,911) | (16,027) |
| Cash flows from financing activities : | | | | |
| Repayment of bank loan | (6,058) | (5,665) | (6,058) | (5,665) |
| Proceeds from bank loan | - | 3,502 | 2,308 | 3,502 |
| Proceeds from issue of redeemable preference shares | - | - | - | 7,000 |
| Increase in pledged deposits | (5) | (2) | (5) | (3) |
| Payments incurred in relation to the initial public offering | - | (79) | - | (629) |
| Payments of share issuance expense | - | - | (11) | - |
| Net cash flows (used in)/generated from financing activities | (6,063) | (2,244) | (3,766) | 4,205 |
| Net increase/(decrease) in cash and cash equivalents | (2,178) | (1,326) | (134) | (14,379) |
| Cash and cash equivalents at beginning of period | 5,019 | 4,380 | 3,211 | 17,431 |
| Effects of exchange rate changes on cash and cash equivalents | 257 | 157 | 21 | 159 |
| Cash and cash equivalents at end of period | 3,098 | 3,211 | 3,098 | 3,211 |

Operating profit before working capital changes was \$1.6 million for 4Q2015.

Changes in working capital was \$2.0 million.

Payments for interest expense and corporate tax in 4Q2015 amounted to \$0.2 million while the receipt of interest from convertible loan note was \$1.9 million in 4Q2015.

The above contributed to net cash flow generated from operating activities of \$5.2 million for 4Q2015.

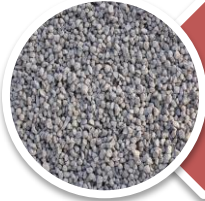
Debt Management

As part of debt restructuring, on 26 January 2016, the Group redeemed the existing redeemable preference shares of \$7.0 million and issued new redeemable preference shares amounting to \$5.7 million. The new redeemable preference shares will mature in January 2021 and have a dividend rate of 8% per annum as compared to the 12.5% per annum of the existing redeemable preference shares.

With the completion of debt restructuring, the Group is expected to benefit from lower borrowing costs in FY2016.



Executive Summary / Overview



Business started in 1996; Possesses the rights to explore and mine phosphate (since 2002), a valuable and non-renewable natural resource in Sichuan Province, the PRC



Adopts a vertically-integrated strategy by investing in downstream processing facilities which:

- refine and process phosphate rocks; and
- produce and sell phosphate-based chemical products



Was affected by the 2008 earthquake in Wenchuan County, Sichuan Province, the PRC, and has been focused on rebuilding since



First mineral resources company to be listed on the SGX-ST which is solely focused on exploring and mining phosphate in the PRC



SGX
SINGAPORE EXCHANGE

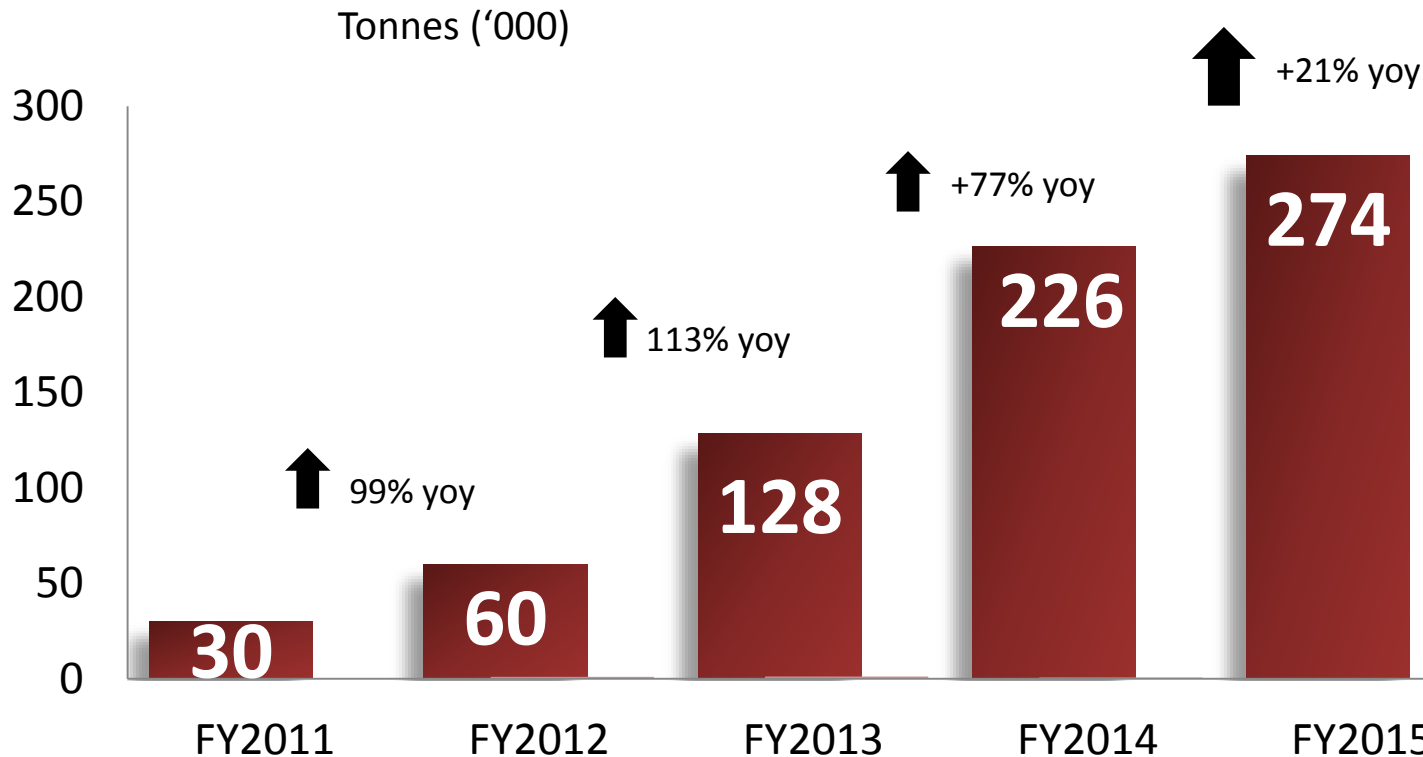
8:59:13



IPO (7 Oct 2013)



Upstream Segment – Mining Output



- Successfully renewed the mining right for Mine 1 in January 2016
- Applying to convert the exploration right for Mine 1 to a mining right, with the goal of increasing its approved annual production scale from the current 50,000 tonnes for Mine 1 to potentially 400,000 tonnes.



Investment Merits

1. Two working mines with rising output
 - 30.3 million tonnes of measured and indicated phosphorite resources (Note 1)
2. Completion of LYR acquisition is expected to expand exploration and mineral resource base (and Improved Cash flows, from removal of Dashan Profit Share)
3. Reduction in mining surcharge will lead to better margin
4. Vertically-integrated strategy allows benefits from operational synergies, and sales and production flexibility
5. Recent favourable policies in China indicate a Positive outlook for phosphate and related chemical products
6. Dedicated and experienced directors and management team, with CEO and Executive Director, Dr. Ong Hian Eng, as legal representative of our PRC subsidiary

(1) Source : WGM Technical Report, dated 21 November 2014 (Mineral Resources effective 30 September 2014)



Our Business

Our Vertically-Integrated Business Strategy

Upon completion of our Rebuilding Programme, our vertically-integrated business model will involve the following:

Mining Operations

- Phosphate Rocks
 - Rights to explore and mine phosphate from two mines located in Sichuan Province, the PRC

Chemical Production Operations

- P₄ Processing
 - Commercial production commenced in FY2014
- Acid Manufacturing
 - Planned construction of new phosphoric acid plant with designed capacity of 30,000 tonnes per year
- SHMP and STPP Manufacturing
 - Completed relocation of one STPP plant (and resumed commercial production) with designed capacity of 30,000 tonnes per year
 - Planned construction of one SHMP plant with designed capacity of 20,000 tonnes per year

Return to [Table of Contents]

Location of Mines and Production Plants

- The Group's operations are located in the vicinity of Mianzhu City, Sichuan Province, the PRC

- The production facilities are located at Gongxing Industrial Zone, which is only 40 km from the Group's mines

Return to [Table of Contents]

Exploration and mining licences (探矿权和采矿权)

| | Mine # A1 (Chang Cheng 长城矿权) | Mine # A2 (Ding 定矿权) | Mine # A3 (Ding 定矿权) | Mine # A4 (Ding 定矿权) | Feipeng 飞鹏 (Feipeng 飞鹏矿权) |
|---------------------------|----------------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------------------------|
| Current licence period | December 2013 to December 2015 (2013年12月22日至2015年12月22日) | April 2014 to April 2015 (2014年4月1日至2015年4月1日) | March 2013 to January 2020 (2013年3月1日至2020年1月1日) | June 2014 to June 2016 (2014年6月1日至2016年6月1日) | 2 years, ending December 2015. Renewal application submitted in November 2014 (到期于2015年12月31日) |
| Permit area | 1,649.1 km ² | 1.54 km ² | 2,023.7 km ² | 1.28 km ² | 77.91 km ² |
| Approved production scale | 50,000 tonnes per annum (吨/年) (To increase to 400,000 tonnes - 将提高至40万吨/年) | Not applicable (不适用) | 200,000 tonnes per annum (吨/年) | Not applicable (不适用) | Not applicable (不适用) |

Return to [Table of Contents]

Independent Resource Estimate

(prepared in accordance with NI 43-101)

| Based on WGM Technical Report | Tonnes (million) | Tonnes (million) | Tonnes (million) |
|--------------------------------------------|---------------------|------------------|------------------|
| Measured and indicated resources (2 mines) | Sum of Mine 1 and 2 | Mine 1 | Mine 2 |
| mining rights | 20.5 | 2.9 | 17.6 |
| exploration rights | 9.8 | 8.4 | 1.4 |
| Total | 30.3 | 11.3 | 19.0 |
| Inferred resources (2 mines) | | | |
| mining rights | 1.9 | - | 1.9 |
| exploration rights | 16.1 | - | 16.1 |
| Total | 17.9 | - | 17.9 |

Return to [Table of Contents]

Independent Resource Estimate (continued)

(Extract from WGM Technical Report prepared in accordance with NI 43-101)

| Category | Mineral Type | Gross Attributable to licence (Tonnes (millions)) | Grade (P ₂ O ₅ %) | Net Attributable to issuer Assumed at 100% Grade (Tonnes (millions)) | Change from previous update (%) | |
|--------------|--------------|---------------------------------------------------|-----------------------------------------|----------------------------------------------------------------------|---------------------------------|------------|
| Resources | | | | | | |
| Measured | Phosphorite | 18.2 | 27.54 | 18.2 | 27.54 | 65% |
| Indicated* | Phosphorite | 12.1 | 29.43 | 12.1 | 29.43 | 0% |
| Total | | 30.3 | 28.29 | 30.3 | 28.29 | 31% |
| Inferred* | Phosphorite | 17.9 | 29.77 | 17.9 | 29.77 | -5% |

Return to [Table of Contents]

Geologist (WGM) visit to our Mines in 2014 (Increased Resource Estimate)

Return to [Table of Contents]

Gongxing Production Facilities

- Rebuilding programme in Gongxing Industrial Zone, Sichuan Province, the PRC
 - Phase 1: New site of approximately 54,863 m², land use rights obtained
 - Designed to withstand earthquakes of up to 7.0 on Richter scale
- Phase 1 completed:
 - Two new P₄ furnaces, each with designed annual capacity of 10,000 tonnes
 - Commercial production of P₄ commenced in May 2014
- Receipt of Land Use Rights for Phase 2 Land
 - Announced: 12 March 2015

Return to [Table of Contents]

Photos: From Mines to Factory

Return to [Table of Contents]

Factory Layout (Phase 1)

Return to [Table of Contents]



Our Vertically-Integrated Business Strategy

Upon completion of our Rebuilding Programme, our vertically-integrated business model will involve the following:

Mining Operations



**Phosphate
Rocks**

Mining

- Rights to explore and mine phosphate from our two mines located in Sichuan Province, the PRC

Chemical Production Operations



P₄

P₄ Processing

- Commercial production commenced in FY2014



SHMP

(food & non food grade)

STPP

(food & non food grade)

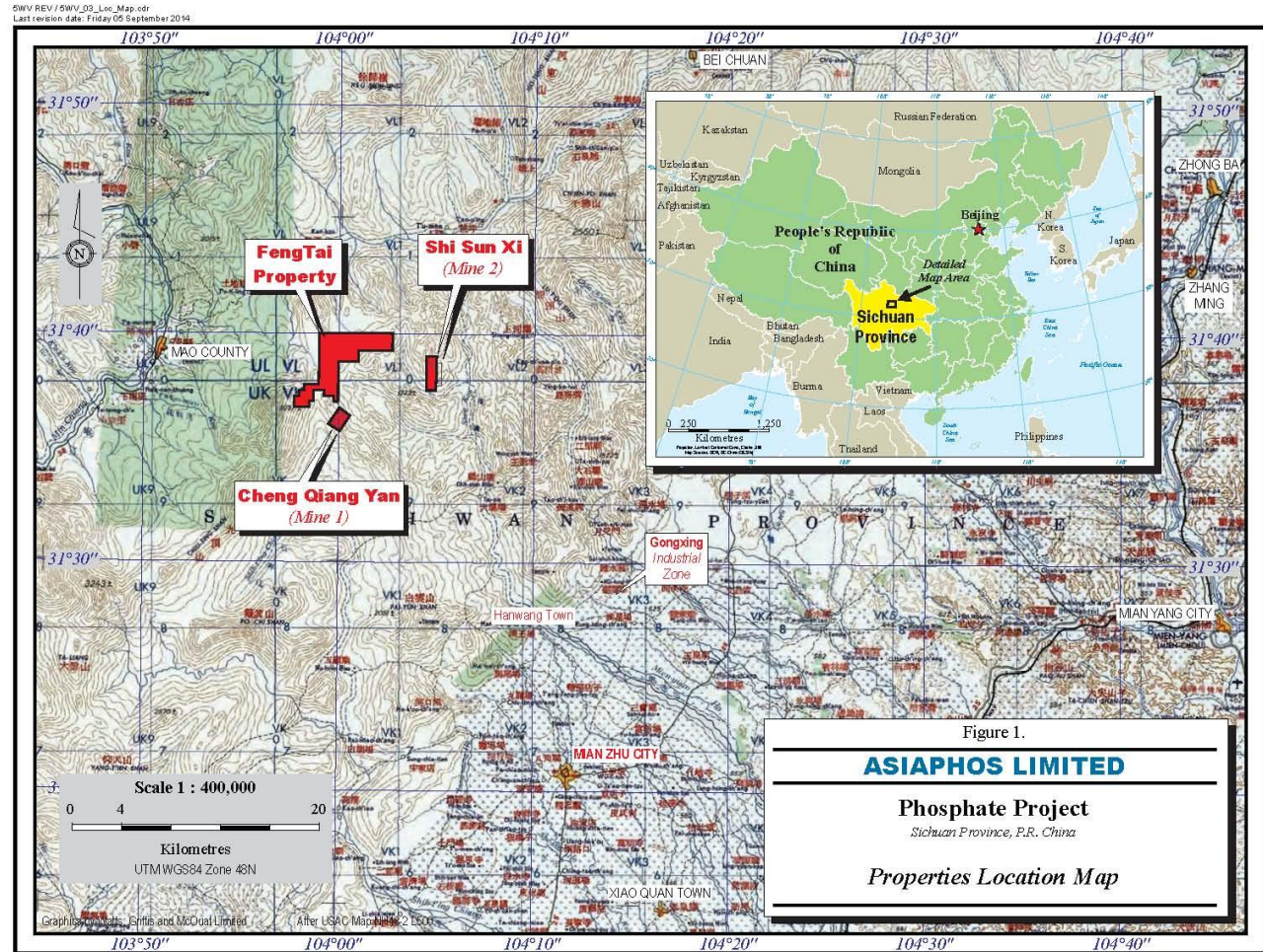
SHMP and STPP Manufacturing

- Completed relocation of one STPP plant (and resumed commercial production) with designed capacity of 30,000 tonnes per year
- Planned construction of one SHMP plant with designed capacity of 20,000 tonnes per year



Location of Mines and Production Plants

- The Group's operations are located in the vicinity of Mianzhu City, Sichuan Province, the PRC
- The production facilities are located at Gongxing Industrial Zone, which is only 40 km from the Group's mines



Source: <http://bit.ly/GoogleMap QingPing to GongXingFactory 618205>
<http://bit.ly/GoogleMap SMNPC Mines and Factory>



Exploration and mining licences

| | Mine 矿山1 (Cheng Qiang Yan 城墙岩) | Vicinity of Mine 1 (矿山1毗邻) | Mine 矿山2 (Shi Sun Xi 石笋西) | Vicinity of Mine 2 (矿山2毗邻) | Fengtai 峰泰 (refer Note 参考备注) |
|---------------------------|-------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------|
| | Mining Rights 采矿权 | Exploration Rights 探矿权 | Mining Rights 采矿权 | Exploration Rights 探矿权 | Exploration Rights 探矿权 |
| Current licence period | December 2015 to December 2016 (2015年12月至2016年12月) | April 2014 to April 2016 (2014年4月至2016年4月) | March 2011 to January 2020 (2011年3月至2020年1月) | June 2014 to June 2016 (2014年6月至2016年6月) | 2 years, ending December 2015; Renewal application submitted & is in-process 已经提交续展申请, 正在审核 |
| Permit area | 1.6491 km ² | 1.54 km ² | 2.0237 km ² | 1.28 km ² | 17.91 km ² |
| Approved production scale | 50,000 tonnes per annum (吨/年) (To increase to 400,000 tonnes, 将提高至40万吨) | Not applicable 不适用 | 200,000 tonnes per annum (吨/年) | Not applicable 不适用 | Not applicable 不适用 |

Notes:

- Mine 1 & 2: Technical Report prepared by Watts, Griffis & McQuat (WGM), in accordance with NI 43-101, estimates that phosphorus rock output of 1 million tonnes per annum is possible with proper planning and CAPEX
- Fengtai: Refer to corporate announcement dated 22 April 2014. As of 4 August 2015, Fengtai transaction has been completed.



Independent Resource Estimate

(prepared in accordance with NI 43-101)

| Based on WGM Technical Report (根据WGM的技术报告) | Tonnes (million) 百万吨 | Tonnes (million) 百万吨 | Tonnes (million) 百万吨 |
|--------------------------------------------------------------|----------------------------------|----------------------------|----------------------------|
| Measured and indicated resources (2 mines) 测定和指示资源 (2个矿山) | Sum of Mine 1 and 2 (矿山1、2合计) | Mine 1 (矿山1) | Mine 2 (矿山2) |
| mining rights 采矿权 | 20.5 | 2.9 | 17.6 |
| exploration rights 探矿权 | 9.8 | 8.4 | 1.4 |
| Total | 30.3 | 11.3 | 19.0 |
| Inferred resources (2 mines) 推断资源 (2个矿山) | | | |
| mining rights 采矿权 | 1.8 | - | 1.8 |
| exploration rights 探矿权 | 16.1 | - | 16.1 |
| Total 合计 | 17.9 | - | 17.9 |

Source: WGM Technical Report, 21 November 2014 (Excludes Fengtai). Refer following page for WGM's detailed resource estimates table / footnotes. Effective date of mineral resource estimate is 30 September 2014.



Independent Resource Estimate (continued)

(Extract from WGM Technical Report prepared in accordance with NI 43-101)

| Resources Category | Mineral Type | Gross Attributable to licence | | Net Attributable to Issuer Assumed at 100% | | |
|----------------------|--------------|-------------------------------|-----------------------------------------|--------------------------------------------|-----------------------------------------|----------------------------------------------|
| | | Tonnes (millions) | Grade (P ₂ O ₅ %) | Tonnes (millions) | Grade (P ₂ O ₅ %) | Change from previous update ⁸ (%) |
| Measured | Phosphorite | 18.2 | 27.54 | 18.2 | 27.54 | 65% |
| Indicated* | Phosphorite | <u>12.1</u> | <u>29.43</u> | <u>12.1</u> | <u>29.43</u> | 0% |
| Total M&I | | 30.3 | 28.29 | 30.3 | 28.29 | 31% |
| Inferred* | Phosphorite | 17.9 | 29.77 | 17.9 | 29.77 | -5% |

Notes:

Mineral Resources effective 30 September 2014.

1. Mineral Resources are estimated at a cutoff value of 8% P₂O₅, and a minimum phosphorite bed thickness of 0.25 m.
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3. The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
4. The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council June 30, 2011.
5. S.G. of 3.08 tonnes/m³ and 3.03 tonnes/m³ used for Cheng Qiang Yan and Shi Sun Xi respectively.
6. Indicated amounts may not precisely sum due to rounding.
7. Inferred Resource cannot be included in total Resource calculation under NI 43-101 Standard.
8. Previous mineral resource estimate update was prepared March 28, 2014.

* Pending renewal of Mine 2 exploration permit. The Group has applied for renewal and is awaiting for approval. Failure to receive approval will not affect current operations and is not considered material as only 1.3 million tonnes of indicated resources would be impacted.



Geologist (WGM) visit to our Mines in 2014 (Increased Resource Estimate)





Gongxing Production Facilities

- Rebuilding programme in Gongxing Industrial Zone, Sichuan Province, the PRC
 - Phase1 : New site of approximately 54,863 m²; land use rights obtained
 - Designed to withstand earthquakes of up to 7.0 on Richter scale
- Phase 1 completed :
 - Two new P₄ furnaces, each with designed annual capacity of 10,000 tonnes
 - Commercial production of P₄ commenced in May 2014
- Receipt of Land Use Rights for Phase 2 Land
 - Announced: 12 March 2015





Photos: From Mines to Factory



Tramway system at Mines



From Mine to Factory via Truck
(section of Mian Mao Highway)



Weighbridge:
Rock / materials handling and zoning



P4 factory / bulk storage



P4 factory control centre



STPP factory



Photos: From Mines to Factory



Tramway system at Mines



From Mine to Factory via Truck
(pre-Mian Mao Highway)



Weighbridge:
Rock / materials handling and zoning



P4 factory / bulk storage



P4 factory control centre



STPP factory

Factory Layout (Phase 1)





Competitive Strengths

亞
化



Competitive Strength: Higher Quality Phosphate Rocks

- AsiaPhos' phosphate rocks have relatively high P₂O₅ content ≈ >29%
 - Higher value and demand
 - Phosphate rock deposits with P₂O₅ content of at least 30% constitute only 10 - 25% of the total phosphate rock deposits in the PRC
 - Most phosphate mines in the PRC are mining phosphate rocks with P₂O₅ content of 20 – 25%
 - Average grade of PRC's phosphate rock deposits is estimated to have P₂O₅ content of below 20%

- We believe that our phosphate rocks have relatively low arsenic content ≈ 8 -10 ppm

ASIAPHOS

Report: China adapts to 'new normal' of dwindling high grade phosphate reserves

The decline in the amount of available high grade phosphate rock in China has prompted the country's government to look at new ways of processing the reserves, which have reached 50 years supply. It says its phosphate reserves are 12.5 billion tonnes, according to 2014 research, a downward shift from the 15 billion tonnes of phosphate rock available in 2010. The research also shows that 20% of P2O5 reserves are high grade, with an average of 29% P2O5 content. The research also shows that 20% of P2O5 reserves are high grade, with an average of 29% P2O5 content. The research also shows that 20% of P2O5 reserves are high grade, with an average of 29% P2O5 content.

| China's phosphate reserves | Remaining reserves, million tonnes | % of total | Estimated year remaining reserves available | Calculation cost, USD/ton |
|----------------------------|------------------------------------|------------|---------------------------------------------|---------------------------|
| 20% (High grade) | 3,000 | 24% | 2008 | 36.55 |
| 20% (Low grade) | 2,250 | 18% | 2008 | 43.45 |
| 10% (High grade) | 1,500 | 12% | 2008 | 50.35 |
| 10% (Low grade) | 1,500 | 12% | 2008 | 57.25 |
| 5% (High grade) | 750 | 6% | 2008 | 64.15 |
| 5% (Low grade) | 750 | 6% | 2008 | 71.05 |
| Total | 12,500 | 100% | 2008 | 36.55 |





Financial Highlights

ASIAPHOS Income Statement Highlights (FY2015)

损益表要点

Amounts shown are in Singapore Dollars

| | Fourth Quarter Ended 31 December | | Group | |
|---------------------------------------------------------------------------------------------|----------------------------------|---------|-------|----------|
| | 2015 | 2014 | 2015 | 2014 |
| | \$'m | \$'m | \$'m | \$'m |
| Revenue 收入 | 16,838 | 11,153 | 51 | 28,822 |
| Cost of sales 销售成本 | (15,660) | (8,860) | 58 | (18,706) |
| Gross profit 毛利 | 1,178 | 2,293 | 53 | 4,116 |
| Operating expenses (See Note on Page 14 of announcement) | (483) | (2,854) | (77) | (6,079) |
| Profit/(loss) before tax 除税前利润/(亏损) | 4,760 | (3,347) | 1,017 | 18,464 |
| Taxation 所得税 | (481) | 14 | 13.6 | (876) |
| Profit/(loss) for the period attributable to shareholders of the Company 归属于本公司股东的期间利润/(亏损) | 4,279 | (3,231) | 2,220 | 18,018 |

Note: Refer to audited Annual Reports/Accounts in relation to notes to further details. <http://www.asiaphos.com/financialresults.php>

* FY15 financials are per the 13 February 2016 public announcement, and are based on unaudited management accounts

"N.M." denotes not meaningful.

[Return to \[Table of Contents\]](#) <http://www.asiaphos.com/financialresults.php> 51

ASIAPHOS Income Statement Highlights (FY2015)

损益表要点

Amounts shown are in Singapore Dollars

| | Fourth Quarter Ended 31 December | | Group | |
|---------------------------------------------------------------------------------------------|----------------------------------|---------|--------|----------|
| | 2015 | 2014 | Change | 2015 |
| | \$'m | \$'m | % | \$'m |
| Revenue 收入 | 16,838 | 11,153 | 51 | 44,400 |
| Cost of sales 销售成本 | (15,660) | (8,860) | 58 | (38,276) |
| Gross profit 毛利 | 1,178 | 2,293 | 53 | 3,224 |
| Operating expenses (See Note on Page 14 of announcement) | (483) | (2,854) | (77) | (6,376) |
| Profit/(loss) before tax 除税前利润/(亏损) | 4,760 | (3,347) | 1,017 | 19,804 |
| Taxation 所得税 | (481) | 14 | 13.6 | (876) |
| Profit/(loss) for the period attributable to shareholders of the Company 归属于本公司股东的期间利润/(亏损) | 4,279 | (3,231) | 2,220 | 18,018 |

Note: Refer to audited Annual Reports/Accounts in relation to notes to further details. <http://www.asiaphos.com/financialresults.php>

* FY15 financials are per the 13 February 2016 public announcement, and are based on unaudited management accounts

"N.M." denotes not meaningful.

[Return to \[Table of Contents\]](#) <http://www.asiaphos.com/financialresults.php> 51

ASIAPHOS Income Statement Trend (By Quarter)

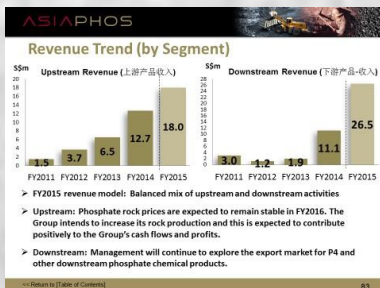
损益表趋势 (按季度)

| | 1Q2014 | 2Q2014 | 3Q2014 | 4Q2014 | FY2014 | 1Q2015 | 2Q2015 | 3Q2015 | FY2015 |
|--------------------------------------------------------------------------|---------|---------|---------|---------|----------|---------|---------|----------|----------|
| | \$'m | \$'m | \$'m | \$'m | \$'m | \$'m | \$'m | \$'m | \$'m |
| Revenue | 2,416 | 3,293 | 6,348 | 11,153 | 23,210 | 6,278 | 12,008 | 18,266 | 36,552 |
| Cost of sales | (2,344) | (2,750) | (5,140) | (8,860) | (19,094) | (3,792) | (7,544) | (10,338) | (24,678) |
| Gross profit | 79 | 543 | 1,208 | 2,293 | 4,116 | 1,486 | 4,464 | 7,928 | 11,874 |
| Operating expenses | (1,000) | (1,400) | (2,800) | (2,854) | (8,054) | (1,500) | (3,000) | (4,500) | (9,500) |
| Profit/(loss) before tax | (921) | (857) | (1,592) | (561) | (4,938) | (1,014) | 1,464 | 3,428 | 2,374 |
| Taxation | (481) | 14 | 13.6 | (876) | (1,329) | (481) | 14 | 13.6 | (876) |
| Profit/(loss) for the period attributable to shareholders of the Company | (1,402) | (843) | (1,606) | (1,437) | (6,267) | (1,495) | 1,478 | 3,542 | 1,500 |

Note: Latest financials are per the 4 August 2015 public announcement, and are based on unaudited management accounts.

"N.M." denotes not meaningful.

[Return to \[Table of Contents\]](#) 54



ASIAPHOS Balance Sheet (Summary)

资产负债表摘要

| \$'m | As at 30 June 2015 | As at 31 Mar 2015 | As at 31 Dec 2014 |
|--------------------------|--------------------|-------------------|-------------------|
| | (Unaudited) | (Unaudited) | (Audited) |
| ASSETS | | | |
| Current Assets | 23.1 | 15.4 | 18.8 |
| Non-Current Assets | 83.1 | 83.2 | 81.1 |
| Total Assets | 106.1 | 98.6 | 99.9 |
| LIABILITIES | | | |
| Current Liabilities | 20.7 | 12.8 | 15.8 |
| Non-Current Liabilities | 12.3 | 12.4 | 12.2 |
| Total Liabilities | 33.0 | 25.2 | 28.0 |
| EQUITY | | | |
| Share Capital | 56.5 | 56.5 | 56.5 |
| Reserves | 16.6 | 16.9 | 15.5 |
| Total Equity | 73.1 | 73.5 | 72.0 |

[Return to \[Table of Contents\]](#) 57

ASIAPHOS Balance Sheet

资产负债表

Amounts shown are in \$'000

| | 2015 | 2014 | 2013 |
|--------------------------|----------------|---------------|---------------|
| ASSETS | | | |
| Current Assets | 23,100 | 15,400 | 18,800 |
| Non-Current Assets | 83,100 | 83,200 | 81,100 |
| Total Assets | 106,100 | 98,600 | 99,900 |
| LIABILITIES | | | |
| Current Liabilities | 20,700 | 12,800 | 15,800 |
| Non-Current Liabilities | 12,300 | 12,400 | 12,200 |
| Total Liabilities | 33,000 | 25,200 | 28,000 |
| EQUITY | | | |
| Share Capital | 56,500 | 56,500 | 56,500 |
| Reserves | 16,600 | 16,900 | 15,500 |
| Total Equity | 73,100 | 73,500 | 72,000 |

Note: Refer to the Announcement on SGXNET / Asiapros website (15 Feb 2015) LAR shown below. Pages 15-16 for Balance Sheet Commentary.

[Return to \[Table of Contents\]](#) <http://www.asiaphos.com/financialresults.php> 55

Stronger operating cash flows ...

| | Fourth Quarter Ended 31 December | Group |
|-------------------------------------------------|----------------------------------|---------|
| | 2015 | 2014 |
| | \$'m | \$'m |
| Operating profit before working capital changes | 4,760 | (3,347) |
| Changes in working capital | 1,500 | (500) |
| Operating profit after working capital changes | 6,260 | (3,847) |
| Operating cash flows | 5,100 | (3,200) |
| Operating cash flows from continuing activities | 5,100 | (3,200) |

Operating profit before working capital changes was \$1.6 million for 4Q2015.

Changes in working capital was \$2.0 million.

Payments for interest coupons and corporate tax in 4Q2015 amounted to \$2.2 million while the receipt of interest from convertible loan note was \$1.8 million in 4Q2015.

The above contributed to net cash flow generated from operating activities of \$5.2 million for 4Q2015.

Debt Management

As part of debt restructuring, on 28 January 2015, the Group redeemed the existing redeemable preference shares of \$7.0 million and issued new redeemable preference shares amounting to \$5.7 million. The new redeemable preference shares will mature in January 2016. The new \$5.7 million debt per annum as compared to the 12.5% per annum of the existing redeemable preference shares.

With the completion of debt restructuring, the Group is expected to benefit from lower borrowing costs in FY2016.

[Return to \[Table of Contents\]](#) <http://www.asiaphos.com/financialresults.php> 6



Income Statement

S\$'000

FY2010 FY2011 FY2012 FY2013 FY2014 FY2015

| | | | | | | |
|---------|-------|-------|-------|-------|--------|--------|
| Revenue | 2,775 | 4,522 | 4,897 | 8,458 | 23,822 | 44,505 |
|---------|-------|-------|-------|-------|--------|--------|

| | | | | | | |
|--------------|-----|-------|-------|-------|-------|-------|
| Gross profit | 402 | 2,374 | 2,101 | 2,550 | 4,684 | 8,487 |
|--------------|-----|-------|-------|-------|-------|-------|

| | | | | | | |
|--------------------------|---------|-------|-------|---------|--------|-------|
| Profit/(loss) before tax | (1,206) | 2,933 | 1,509 | (2,249) | 19,484 | 3,027 |
|--------------------------|---------|-------|-------|---------|--------|-------|

| | | | | | | |
|-------------------------|---------|-------|-------|---------|--------|-------|
| Profit/(loss) after tax | (1,178) | 2,933 | 1,225 | (3,667) | 19,498 | 2,209 |
|-------------------------|---------|-------|-------|---------|--------|-------|

Profit/(loss) after tax above includes:

- Fair value gains on financial instruments relating to LYR acquisition

20,203

- Fair value gains on reassessment of purchase consideration of LYR

4,850

- Termination of pre-existing contract

(2,429)

- relocation gain:

- 1,874 3,471 -

- one-time listing expenses:

- - 1,780 2,478

Note: Refer to audited Annual Reports / Asiaphos investor relations website for further details: <http://asiaphos.com/financial-results.php>

* FY15 financials are per the 15 February 2016 public announcement, and are based on unaudited management accounts



Income Statement Highlights (FY2015)

| | Group | | | Group | | |
|--------------------------------------------------------------------|----------------------------------|---------|--------|----------------------------------|----------|--------|
| | Fourth Quarter Ended 31 December | | | Financial Year Ended 31 December | | |
| | 2015 | 2014 | Change | 2015 | 2014 | Change |
| Amounts shown are in Singapore Dollars | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Revenue | 16,839 | 11,125 | 51 | 44,505 | 23,822 | 87 |
| Cost of sales | (13,649) | (8,540) | 60 | (36,018) | (19,138) | 88 |
| Gross profit | 3,190 | 2,585 | 23 | 8,487 | 4,684 | 81 |
| Other income (see Note on Page 14 of announcement) | 4,863 | 20,834 | (77) | 6,378 | 21,781 | (71) |
| Profit/(loss) before tax | 4,760 | 20,747 | | 3,027 | 19,484 | |
| Taxation | (451) | 14 | N.M. | (818) | 14 | N.M. |
| Profit/(loss) for the period attributable to owners of the Company | 4,309 | 20,761 | | 2,209 | 19,498 | |

Note: Refer to audited Annual Reports / Asiaphos investor relations website for further details: <http://asiaphos.com/financial-results.php>

- FY15 financials are per the 15 February 2016 public announcement, and are based on unaudited management accounts
- “N.M” denotes not meaningful.
- Other income decreased by \$15.9 million, from \$20.8 million in 4Q2014 to \$4.9 million in 4Q2015, mainly due to i) decrease in interest income related to convertible loan note by \$0.5 million as the convertible loan note was converted into the equity of LY Resources Pte. Ltd. (“LYR”) in July 2015; and ii) decrease in net fair value gain by \$15.5 million. In 4Q2014, the Group recognised net fair value gain of \$20.2 million arising from valuation of convertible loan note and redeemable preference shares. In 4Q2015, the fair value gain of \$4.7 million was due to the reassessment of purchase consideration of LYR, leading to fair value gains from convertible loan note and derivative asset (as required by accounting standards). Convertible loan note and derivative asset form part of purchase consideration for LYR.



Income Statement Trend (By Quarter)

Amounts shown are
in Singapore Dollars

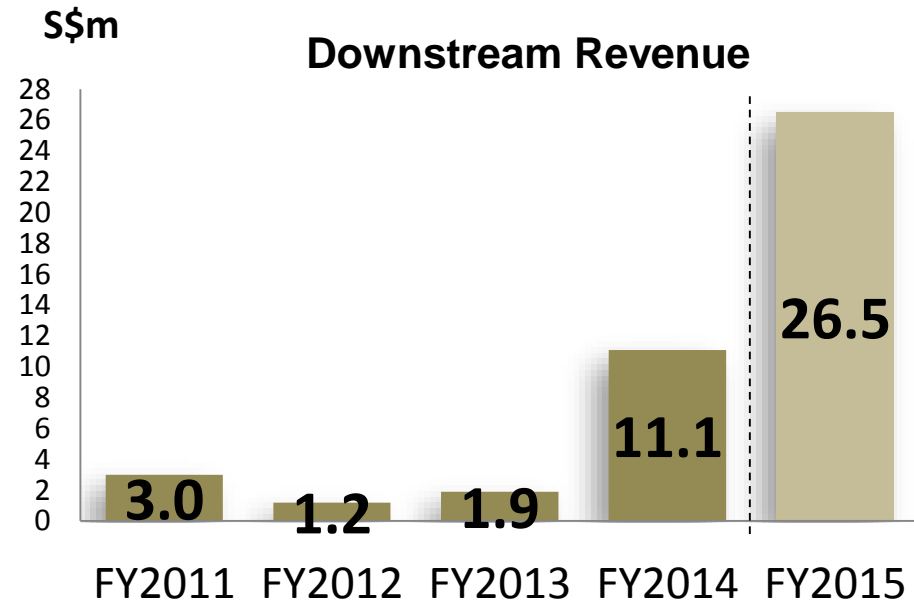
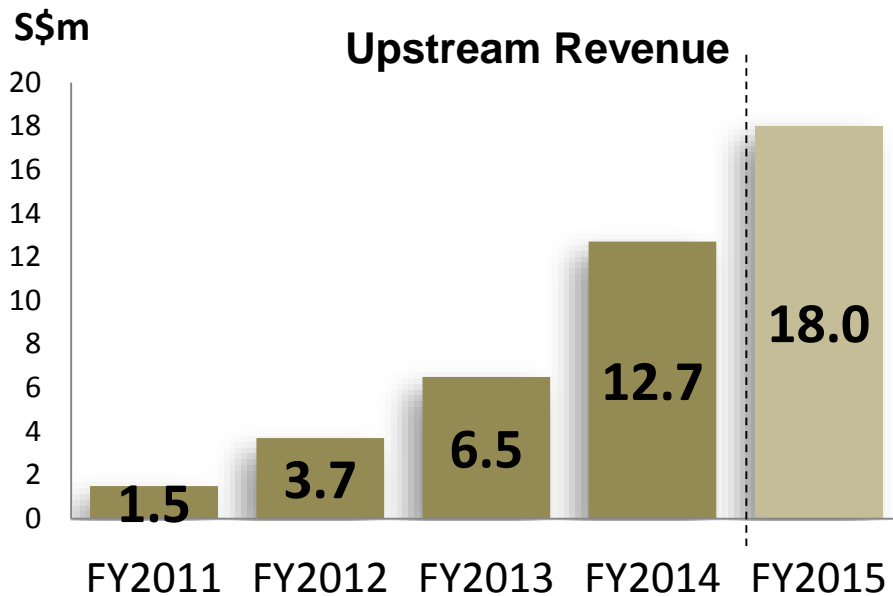
| | 1Q2014 | 2Q2014 | 3Q2014 | 4Q2014 | FY2014 | 1Q2015 | 2Q2015 | 3Q2015 | 4Q2015 | FY2015 | |
|---------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|---------------|----------------|---------------|---------------|-----|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| Revenue | 2,416 | 3,933 | 6,348 | 11,125 | 23,822 | 6,278 | 12,008 | 9,380 | 16,839 | 44,505 | |
| Upstream | 2,046 | 2,739 | 1,945 | 5,996 | 12,727 | 3,782 | 6,548 | 1,790 | 5,837 | 17,957 | 40% |
| Downstream | 370 | 1,194 | 4,403 | 5,129 | 11,096 | 2,496 | 5,460 | 7,590 | 11,002 | 26,548 | 60% |
| Gross profit | 636 | 446 | 1,017 | 2,585 | 4,684 | 1,576 | 2,009 | 1,712 | 3,190 | 8,487 | |
| Profit/(loss) before tax | (415) | (417) | (431) | 20,747 | 19,484 | (59) | 618 | (2,292) | 4,760 | 3,027 | |
| Sales quantity (tons) | | | | | | | | | | | |
| Phosphate rocks | 27,700 | 43,000 | 27,700 | 78,700 | 177,100 | 47,000 | 89,100 | 23,890 | 88,566 | 248,556 | |
| P4 | - | 265 | 1,452 | 1,800 | 3,517 | 780 | 1,900 | 2,840 | 4,555 | 10,075 | |

Note: Financials are per the 15 February 2016 public announcement, and are based on unaudited management accounts.

“N.M” denotes not meaningful.



Revenue Trend (by Segment)



- **FY2015 revenue model: Balanced mix of upstream and downstream activities**
- **Upstream: Phosphate rock prices are expected to remain stable in FY2016. The Group intends to increase its rock production and this is expected to contribute positively to the Group's cash flows and profits.**
- **Downstream: Management will continue to explore the export market for P4 and other downstream phosphate chemical products.**



Balance Sheet (Summary)

| S\$m | As at 31 Dec 2015 (Unaudited) | As at 30 June 2015 (Unaudited) | As at 31 Dec 2014 (Audited) |
|--------------------------|----------------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | |
| Current Assets | 13.0 | 23.1 | 18.8 |
| Non-Current Assets | 126.2 | 83.1 | 81.1 |
| Total Assets | 139.2 | 106.1 | 99.9 |
| LIABILITIES | | | |
| Current Liabilities | 20.6 | 20.7 | 15.8 |
| Non-Current Liabilities | 22.1 | 12.3 | 12.2 |
| Total Liabilities | 42.7 | 33.0 | 28.0 |
| EQUITY | | | |
| Share Capital | 68.2 | 56.5 | 56.5 |
| Reserves | 18.1 | 16.6 | 15.5 |
| Non-controlling interest | 10.3 | - | - |
| Total Equity | 96.5 | 73.1 | 72.0 |



Balance Sheet

Amounts shown are
in S\$'000

Non-current assets

| | | | | |
|-------------------------------|----------------|---------------|---------------|---------------|
| Mine properties | 72,329 | 436 | - | - |
| Land use rights | 4,845 | 1,751 | - | - |
| Property, plant and equipment | 39,856 | 36,183 | - | - |
| Convertible loan note | - | 23,077 | - | - |
| Derivative asset | - | 13,326 | - | 13,326 |
| Prepayments | 587 | 5,744 | - | - |
| Other receivables | 297 | 515 | - | - |
| Intangible asset | 57 | 113 | - | - |
| Provisional goodwill | 8,271 | - | - | - |
| Investment in subsidiaries | - | - | 59,022 | 33,545 |
| | 126,242 | 81,145 | 59,022 | 46,871 |

Current assets

| | | | | |
|-------------------------------|---------------|---------------|---------------|---------------|
| Stocks | 2,728 | 8,842 | - | - |
| Trade receivables | 4,422 | 2,498 | - | - |
| Other receivables | 481 | 1,878 | 40 | 58 |
| Prepayments | 1,063 | 747 | 143 | 136 |
| Amounts due from subsidiaries | - | - | 17,183 | 16,452 |
| Cash and bank balances | 4,301 | 4,838 | 1,018 | 2,121 |
| | 12,995 | 18,803 | 18,384 | 18,767 |

Total assets

139,237 99,948 77,406 65,638

Current liabilities

| | | | | |
|---------------------------------|---------------|---------------|------------|------------|
| Bank overdraft (secured) | 16 | 447 | 16 | 447 |
| Trade payables | 4,377 | 4,403 | - | - |
| Other payables | 6,848 | 6,321 | 377 | 170 |
| Advance payments from customers | 247 | 340 | - | - |
| Interest-bearing bank loan | - | 3,664 | - | - |
| Redeemable preference shares | 8,050 | - | - | - |
| Provision for taxation | 1,062 | 604 | - | - |
| | 20,600 | 15,779 | 393 | 617 |

Net current assets/(liabilities)

(7,605) 3,024 17,991 18,150

Non-current liabilities

| | | | | |
|------------------------------|---------------|---------------|----------|----------|
| Other payables | - | 117 | - | - |
| Redeemable preference shares | - | 8,200 | - | - |
| Deferred tax liabilities | 19,506 | 1,247 | - | - |
| Deferred income | 2,407 | 2,438 | - | - |
| Provision for rehabilitation | 177 | 175 | - | - |
| | 22,090 | 12,177 | - | - |

Total liabilities

42,690 27,956 393 617

Net assets

96,547 71,992 77,013 65,021

Equity attributable to owners of the Company

| | | | | |
|--------------------------|---------------|---------------|---------------|---------------|
| Share capital | 68,151 | 56,541 | 68,151 | 56,541 |
| Reserves | 18,107 | 15,451 | 8,862 | 8,480 |
| | 86,258 | 71,992 | 77,013 | 65,021 |
| Non-controlling interest | 10,289 | - | - | - |
| Total equity | 96,547 | 71,992 | 77,013 | 65,021 |

Refer to the Announcement on
SGXNET / Asiaphos website
(15 Feb 2016, Link shown
below; Pages 15/16) for
Balance Sheet commentary.



Recent Developments

ASIAPHOS

2014/2015 milestones: 里程碑

- Acquisition of LY Resources (LYR), completed Aug 2015 完成LYR收购2015年8月
- Receipt of exploration right renewal for Mine #2 (Shi Sun Xi) (June 2015) 获取在澳洲探矿权更新 (2015年6月)
- Receipt of Land Use Rights for Phase2 Land (March 2015) 获取二期土地使用权 (2015年3月)
- M&I phosphate resources estimate: Increased +31%, to 30.3 million tonnes (announced Nov 2014) 矿石资源: 增加+31%, 3030万吨 (约2014年11月)
- Reduction in gov't mining surcharge, from RMB30/tonne, to RMB8/tonne 政府征收费用降低, 从每吨30人民币降到8人民币/吨

Recent developments: 进展

- Jan 2016: Renewal of mining right for Mine #1 (CQY)
- Ongoing: Application for conversion of Mine #1 (CQY) exploration right, into a mining right. This would increase CQY's approved production scale to potentially 400,000 tonnes per year

[Return to \[Table of Contents\]](#) 45

ASIAPHOS

Acquisition of LY Resources Pte Ltd ("LYR") 公司收购 LYR

- Independent valuers have indicated that the valuation of LYR has exceeded the valuation threshold of RMB250 million 独立评估师表示, LYR 的估值已经超过了人民币2.5亿元的估值门槛
- Following the receipt of the final valuation report and satisfactory completion of other conditions precedent, the Group has completed the acquisition 继收到最终估值报告以及其他先决条件圆满完成, 集团已完成收购
- LYR acquisition would allow the Group to gain: (LYR收购将使集团获得)
 - Improved financial performance: Entire economic benefits of an existing co-operation arrangement presently accruing to its co-operation partner 提高财务业绩: 现有的合作安排的整个经济的好处目前累积到它的合作伙伴
 - Access to an exploration area 进入勘探领域 (the "FengTai Licence") - 峰泰探矿权 a land parcel approximately 17.91 km² (almost 4.8 times the size of the Group's existing mining area) - near its existing mines 现有的矿山4.8倍, 接近现有矿山

Transaction Completed

[Return to \[Table of Contents\]](#) 47

ASIAPHOS

Acquisition of LY Resources Pte Ltd ("LYR")

PRESS CLIPPING

The Business Times

Section: Companies & Markets
Page: 7

AsiaPhos to acquire LY Resources for S\$36.8m

Acquisition set to boost Cathay-based phosphate miner's operating cash flow and expand its resource base

ASIA PHOS TO ACQUIRE LY RESOURCES FOR S\$36.8M

ASIA PHOS TO ACQUIRE LY RESOURCES FOR S\$36.8M

ASIA PHOS TO ACQUIRE LY RESOURCES FOR S\$36.8M

[Return to \[Table of Contents\]](#) 48

ASIAPHOS

Recent Developments: Receipt of Land Use Rights for Phase 2 Land

- Announced: 12 March 2015
- The Company will provide updates on the progress of the Rebuilding Programme on the Phase 2 Land when there are material developments.

RECEIPT OF LAND USE RIGHTS FOR PHASE 2 LAND

ASIA PHOS

ASIA PHOS TO ACQUIRE LY RESOURCES FOR S\$36.8M

[Return to \[Table of Contents\]](#) 27

ASIAPHOS

Reduction in Mining Surcharge

- Local government reduced the mining surcharge from RMB30 per tonne to RMB8 per tonne

[Return to \[Table of Contents\]](#) 30

ASIAPHOS

Mian Mao Highway expected to improve access / haulage road

- Phased construction of the Mian Mao Highway (part of HK/Sichuan post-earthquake reconstruction cooperation programme)
- Completion of Mian Mao Highway will increase accessibility between mines and production facilities
- Increased reliability and shortened time required for transportation of phosphate rocks upon completion of Mian Mao Highway

[Return to \[Table of Contents\]](#) 31





2014/2015 milestones:

- Acquisition of LY Resources (LYR), completed Aug 2015
- Receipt of exploration right renewal for Mine #2 Shi Sun Xi (June 2015)
- Receipt of Land Use Rights for Phase2 Land (March 2015)
- M&I phosphate resources estimate: Increased +31%, to 30.3 million tonnes (announced Nov 2014)
- Reduction in gov't mining surcharge, from RMB30/tonne, to RMB8/tonne

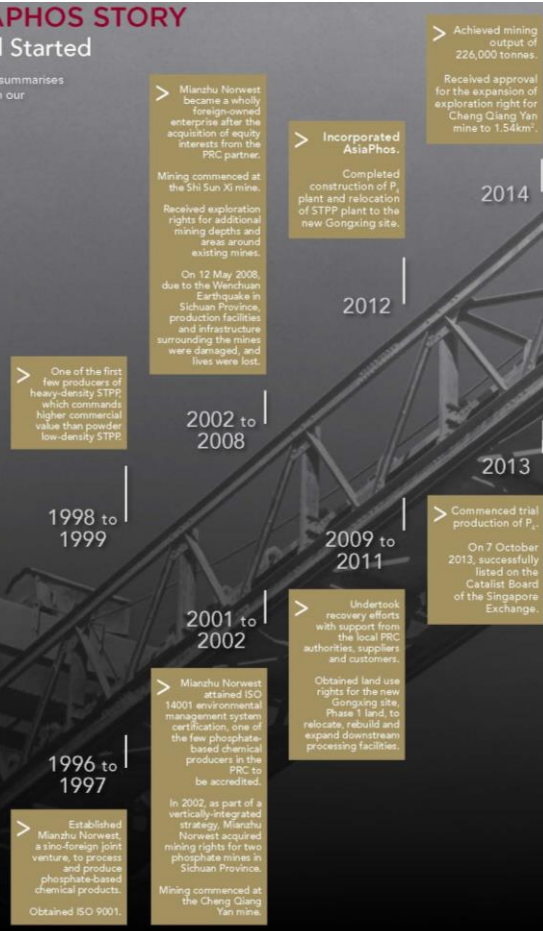
Recent developments:

- Jan 2016: Renewal of mining right for Mine #1 (CQY)
- Ongoing: Application for conversion of Mine #1 (CQY) exploration right, into a mining right; This would increase CQY's approved production scale to potentially 400,000 tonnes per year

THE ASIAPHOS STORY

Where It All Started

The following timeline summarises the significant events in our corporate history.





Acquisition of LY Resources Pte Ltd (“LYR”)

- Independent valuers have indicated that the valuation of LYR has exceeded the valuation threshold of RMB250 million
- Following the receipt of the final valuation report and satisfactory completion of other conditions precedent, the Group has completed the acquisition
- LYR acquisition would allow the Group to gain:
 - ✓ **Improved financial performance:** Entire economic benefits of an existing co-operation arrangement presently accruing to its co-operation partner
 - ✓ **Access to an exploration area** (the “FengTai Licence”) - a land parcel approximately 17.91 km² (almost 4.8 times the size of the Group’s existing mining area) - near its existing mines





Acquisition of LY Resources Pte Ltd (“LYR”)

PRESS CLIPPING

The Business Times

07 July 2015

Section Companies & Markets

Page 7

AsiaPhos to acquire LY Resources for S\$36.8m

Acquisition set to boost Catalyst-listed phosphate miner’s operating cash flows and expand its resource base

By **Chan Yi Wen**
 yiwenc@sph.com.sg
 @ChanYiWenBT

Singapore

PHOSPHATE miner AsiaPhos is acquiring the entire stake of LY Resources for S\$36.8 million in a bid to boost its operating cash flows and expand its resource base. The seller of LY Resources is Luo Yong, who owns half of the equity interest in Mianzhu Dashan Mining Co, the group’s cooperation partner in China.

LY Resources is valued at 266.58 million yuan (S\$58 million), based on an independent valuation report by Jones Lang LaSalle Corporate Appraisal and Advisory on June 26, 2015.

The acquisition thus follows an earlier condition precedent that LY Resources be valued at no less than 250 million yuan. The acquisition will be paid through the issuance of 101.32 million new AsiaPhos shares to Mr Luo, providing him with an 11.2 per cent stake of the enlarged share capital of AsiaPhos.

Assuming that the acquisition was

completed on Dec 31, 2014, the net tangible assets of the group as at end-2014, would have been 13.07 cents instead of nine cents. And if the deal was done on Jan 1, 2014, then the group would have made a loss per share of 0.41 cent, against earnings per share of 2.44 cents.

News of the acquisition sent AsiaPhos’s counter surging as much as 18.97 per cent, before closing at S\$0.121, up 4.31 per cent from the previous trading day. A total of 1.56 million shares changes hands, compared to the three-month traded average of 0.14 million.

The acquisition of LY Resources will allow AsiaPhos to acquire the eco-

nomical benefits of an existing cooperation arrangement with Dashan. AsiaPhos CEO Ong Hian Eng said: “Dashan’s share of profits from the cooperation arrangement which are recognised as our production costs need not be payable to Dashan after the completion of the transaction.”

LY Resources also has access to an exploration area of about 17.91 square kilometre, about 4.8 times the size of AsiaPhos’s existing mines, the group said in its FY2014 annual report. Acquiring LY Resources will facilitate the group’s ownership of a 55 per cent equity interest in Deyang Fengtai Mining Co Ltd, a Chinese-incorporated company which holds the

FengTai licence – an exploration licence for barite rocks in respect of an area situated in the vicinity of the group’s existing mines in the Sichuan province of China.

Said Dr Ong: “While we have been steadily increasing our mining output over the past few years, having an enlarged resource base will help sustain output growth over the longer term.”

Listed on Catalyst since October 2013, AsiaPhos focuses solely on mining phosphate rocks and producing phosphate-based chemical products.

The group owns exploration and mining rights to two mines and recently completed the construction of a yellow phosphorus plant.

Pursuant to a service agreement, Mr Luo is required to expand the scope of the FengTai licence to include the exploration and mining of phosphate rocks. In return, he is entitled to receive a payment of 15 per cent of AsiaPhos subsidiary Deyang City Xianrong Technical Consulting Co’s net profit for five consecutive years thereafter, subject to a cap of three million yuan per year.

AsiaPhos’ map of mines

LY Resources has access to an exploration area of about 17.91 km², approximately 4.8 times the size of AsiaPhos’ existing mines.



Source: AsiaPhos

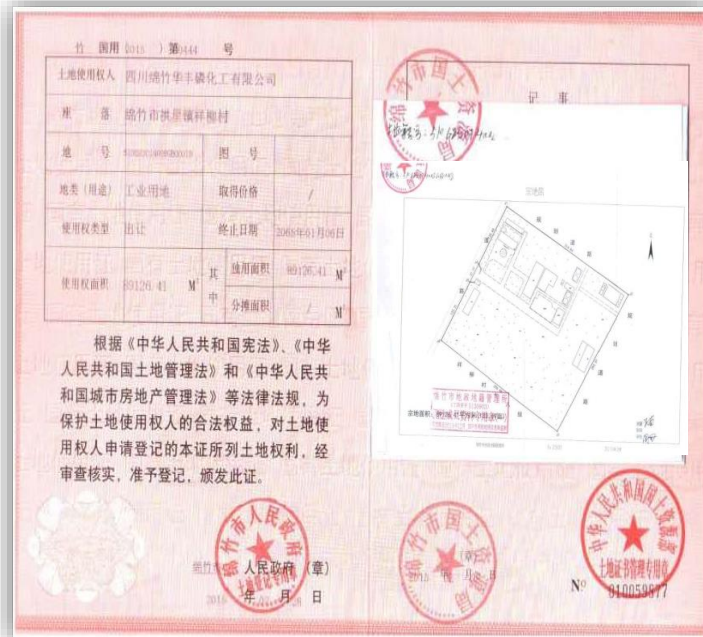
“While we have been steadily increasing our mining output over the past few years, having an enlarged resource base will help sustain output growth over the longer term.”

AsiaPhos CEO Ong Hian Eng



Recent Developments: Receipt of Land Use Rights for Phase 2 Land

- Announced: 12 March 2015
- The Company will provide updates on the progress of the Rebuilding Programme on the Phase 2 Land when there are material developments.



ASIAPHOS

AsiaPhos Limited
 亚化集团有限公司
 BRN: 201200335G
 10 Kallang Avenue
 Aperia #05-11
 Singapore 339510

T: +65 6292 3119
 F: +65 6292 3122
 www.asiaphos.com

RECEIPT OF LAND USE RIGHTS FOR PHASE 2 LAND

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") refers to Page 109 of the Offer Document in respect of the Phase 2 Land, where it was disclosed in the Offer Document that as at the date of listing, Mianzhu Land Bureau had not issued the land use rights for Phase 2 Land to Mianzhu Norwest for the purpose of the Rebuilding Programme.

As previously stated in the Offer Document, Mianzhu Norwest has (i) paid a fully-refundable partial deposit of RMB8 million; and (ii) received the 土地红线图 (Red Line Drawings of Land) for Phase 2 Land, the 绵竹市规划局建设工程规划设计技术要求通知书 (a notice for Phase 2 Land issued by the Mianzhu Planning Bureau), the 建设用地规划许可证 (Construction Land Planning Permit), the 建设工程规划许可证 (Construction Project Planning Permit) issued by the Mianzhu Planning Bureau, and the 建筑工程施工许可证 (Building Construction Permit) issued by Mianzhu Construction Bureau for Phase 2 of the Rebuilding Programme.

In December 2014, Mianzhu had paid the outstanding balance of RMB5.9 million.

The Board is pleased to inform the shareholders that, Mianzhu Norwest has received an approval dated 28 February 2015 from Mianzhu Land Bureau on the land use rights for Phase 2 Land.

The Company will provide updates on the progress of the Rebuilding Programme on the Phase 2 Land when there are material developments.

BY ORDER OF THE BOARD

Simon Ong Eng Hock
 Executive Director
 AsiaPhos Limited

12 March 2015



Reduction in Mining Surcharge

- Local government reduced the mining surcharge from RMB30 per tonne to RMB8 per tonne





Mian Mao Highway expected to improve access / haulage road

- Phased construction of the Mian Mao Highway (part of HK/Sichuan post-earthquake reconstruction cooperation programme)
- Completion of Mian Mao Highway will increase accessibility between mines and production facilities
- Increased reliability and shortened time required for transportation of phosphate rocks upon completion of Mian Mao Highway





Recent Investor Relations activities / Roadshows

| Date | Event |
|---------------|-------------------------------------------------|
| 4 July 2015 | Philip Capital POEMS |
| 11 June 2015 | SGX Sector Connect (Basic Materials) Showcase |
| 21 May 2015 | Wholesale Investor / ShareInvestor Capital Expo |
| 13 March 2015 | Wholesale Investor / SGX Small Cap showcase |

Average trading volume has increased significantly, since we embarked on more investor roadshows during 2015





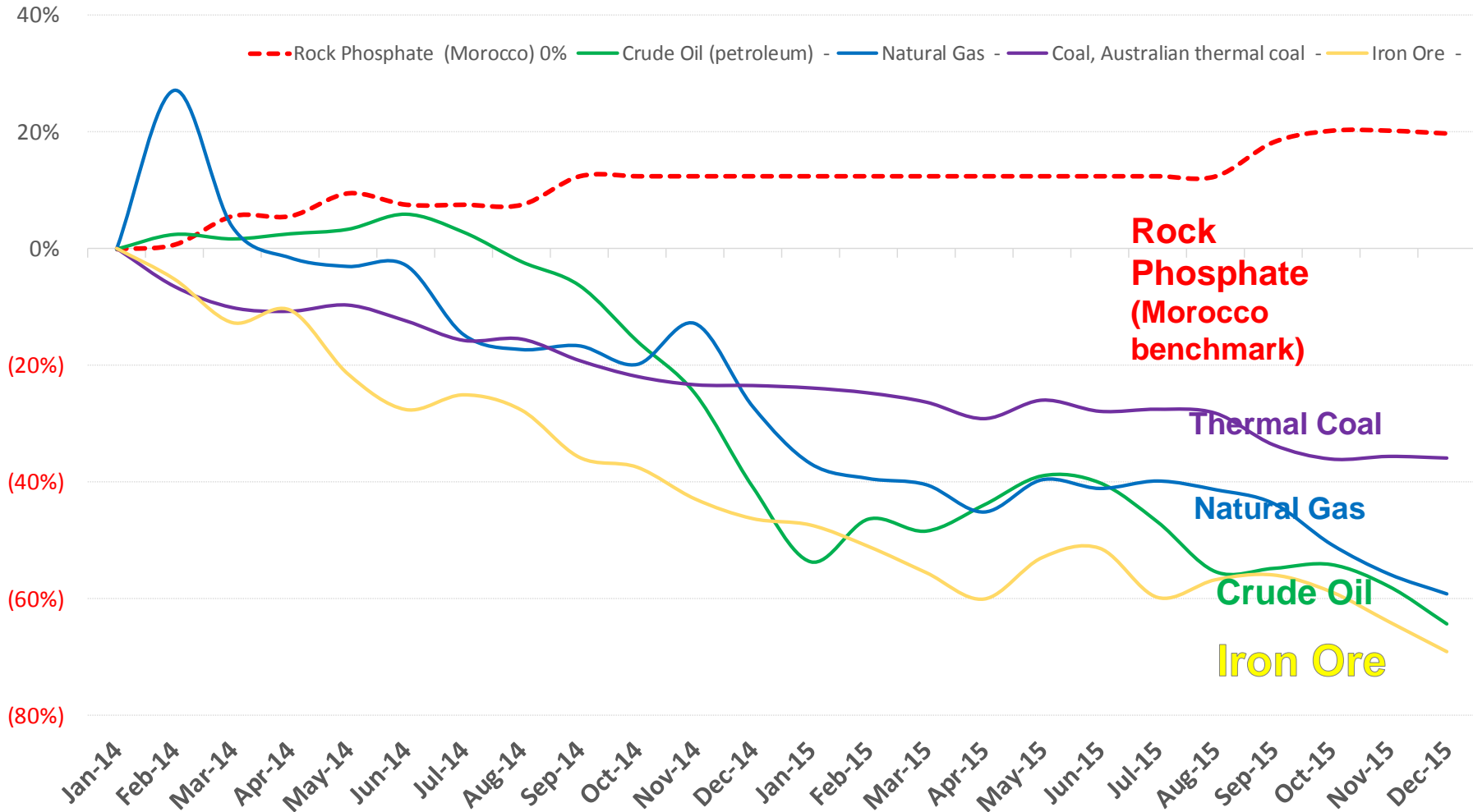
Industry trends and Prospects

亞
化



Relative Commodity Price Performance

Rock Phosphate vs Other Commodities - Price Comparison vs Jan 2014 (To Dec 2015)



Source: IndexMundi and Bloomberg (Data extracted: 12 Feb 2016)



China: Phosphate Rock Production statistics

| Area | 地区 | YTD May 2015 (tons) | % of total |
|--------------------|-----------|------------------------|-------------|
| Total China | 总计 | 52,637,477 | 100% |
| Hubei | 湖北省 | 18,466,086 | 35% |
| Guizhou Province | 贵州省 | 17,189,001 | 33% |
| Yunnan | 云南省 | 10,442,855 | 20% |
| Sichuan | 四川省 | 5,528,172 | 11% |
| Anhui Province | 安徽省 | 294,724 | 1% |
| Henan Province | 河南省 | 230,850 | 0.4% |
| Hebei Province | 河北省 | 220,001 | 0.4% |
| Chongqing | 重庆市 | 120,750 | 0.2% |
| Hunan Province | 湖南省 | 77,743 | 0.1% |
| Jiangsu Province | 江苏省 | 33,687 | 0.1% |
| Fujian | 福建省 | 29,035 | 0.1% |
| Shaanxi Province | 陕西省 | 4,572 | 0.0% |

→ Asiaphos/SMNPC market share = approx. 2%-2.5% of Sichuan output
(Note: SMNPC = Asiaphos' operating subsidiary in China)

Source: National Bureau of Statistics of the People's Republic of China (NBS)

<http://m.askci.com/data/225522.html> (2015 January-May production of phosphate rock; 25 June 2015)

<http://www.fert.cn/news/2015/5/29/201552914473972204.shtml> ; <http://www.zjhx.org/view.asp?id=1386> ;

<http://finance.sina.com.cn/money/future/20150630/090622550904.shtml>



About Phosphate

亞
化



Uses of Phosphate and Related Chemicals



Fertilisers



Oral hygiene products



Beverages



Fire retardants



Pharmaceutical products



LCD panels



Uses of Phosphate and Related Chemicals

STPP is used in, or in the manufacturing process for:



Food and beverage products



Detergents

SHMP is used in, or in the manufacturing process for:



Paints



Food processing



Water treatment products



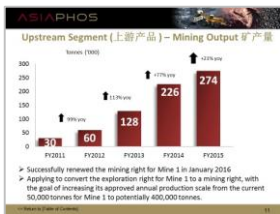
What is Phosphate?

- Phosphate is a valuable and non-renewable natural resource
- Used to produce downstream phosphate-based chemical products, such as :
 - yellow phosphorus (“**P₄**”)
 - thermal phosphoric acid
 - sodium hexametaphosphate (“**SHMP**”)
 - sodium tripolyphosphate (“**STPP**”)
- China is the world’s largest producer and consumer of phosphate rocks and phosphates



Key messages

1. Strong growth momentum continues
2. Improving financial performance, and [stronger operating cash flows](#). Declared first dividend in respect of FY2015.
3. Completion of LYR acquisition is expected to expand exploration and mineral resource base (and Improved Cash flows, from removal of Dashan Profit Share)
4. Reduction in mining surcharge is contributing to better margin
5. Recent favourable policies in China indicate a Positive outlook for phosphate and related chemical products



| | FY2015 | FY2014 | % Change |
|-----------------------|---------|---------|----------|
| Revenue 营业收入 | 15,410 | 11,181 | 37 |
| Cost of sales 销售成本 | (3,948) | (3,046) | 29 |
| Gross profit 毛利 | 11,462 | 8,135 | 41 |
| Operating profit 经营利润 | 1,176 | 1,202 | (2) |
| Net income 净利润 | 1,000 | 1,054 | (5) |
| Basic EPS 基本每股收益 | 0.10 | 0.11 | (9) |
| Diluted EPS 稀释每股收益 | 0.09 | 0.10 | (10) |

Note: Refer to audited Annual Report. Figures include related entities unless further stated. <http://www.asiaphos.com.cn>
 * FY15 figures are as per the 15 February 2016 update, announcements, and are based on unaudited management accounts.
 % Change denotes not meaningful.





AsiaPhos Limited

10 Kallang Avenue

Aperia #05-11

Singapore 339510

Telephone: +65 6292 3119

Website: www.asiaphos.com



ASIA PHOS

