ASIAPHOS

ASIAPHOS LIMITED

Company Registration Number: 201200335G

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2013

AsiaPhos Limited (the "Company") was listed on the Catalist Board (the "Catalist") of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 7 October 2013. The initial public offering (the "IPO") of the Company was sponsored by United Overseas Bank Limited (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of SGX-ST. The Sponsor has not independently verified the contents of this announcement and has not drawn on any specific technical expertise in its review of this announcement.

The announcement has not been examined or approved by SGX-ST. The Sponsor and 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.

Background

The Company, incorporated in Singapore under the Singapore Companies Act on 3 January 2012, is the first Singapore-headquartered mineral resources company listed in 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.

Based on independent technical report(1), as at 31 December 2012, the Group has 22.2 million tonnes of measured and indicated phosphorite resources and 18.8 million tonnes of inferred phosphorite resources. Based on independent valuation report(2), the fair market value of the 2 mines and a yellow phosphorus plant ("P_4") was approximately between RMB1 billion and RMB1.6 billion, with the preferred value being RMB1.3 billion as at 31 March 2013.

The Group undertook a restructuring exercise whereby the Company acquired the entire shareholding interest in Norwest Chemicals Pte. Ltd. ("Norwest Chemicals") from Eastcomm Pte. Ltd. ("Eastcomm") and became the holding company of the Group ("Restructuring Exercise"). Please refer to the Company's offer document dated 25 September 2013 (the "Offer Document") for further details on the Restructuring Exercise.

Prior to the completion of the Restructuring Exercise, the Group's financial statements have been presented as if the Group had been in existence for all periods presented and the assets and liabilities are brought into the combined financial statements at the existing carrying amounts. The share capital of the Group represented the issued and paid up share capital of the Company and Norwest Chemicals. Subsequent to the completion of the Restructuring Exercise on 16 September 2013, the Company recognised Norwest Chemicals as a wholly owned subsidiary and the Group's financial statements were consolidated at existing carrying values. The issued share capital of the Group as at 31 December 2013 represented the post-IPO share capital of the Company.

(1) WGM Technical Report dated 28 February 2013 prepared in accordance with NI 43-101 relating to the mineral resources ("Independent Technical Report"). The report is available in the Company's offer document dated 25 September 2013 (the "Offer Document").

(2) Independent valuation report by Jones Lang LaSalle Corporate Appraisal and Advisory Limited dated 27 August 2013 prepared in accordance with the VALMIN Code ("Independent Valuation Report"). The report is available in the Company's Offer Document.

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF RESULTS FOR FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2013

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Fourth Quarter ended 31 December			Financial Year ended 31 December		
	2013	2012	Change	2013	2012	Change
	$'000	$'000	%	$'000	$'000	%
Revenue	2,700	948	185	8,458	4,897	73
Cost of sales	(1,966)	(455)	332	(5,908)	(2,796)	111
Gross profit	734	493		2,550	2,101	
Other income	1,664	237	602	1,883	3,538	(47)
Selling and distribution costs	(89)	(43)	107	(306)	(227)	35
General and adminstrative costs	(1,992)	(1,482)	34	(6,244)	(3,899)	60
Finance costs	(79)	(1)	7800	(132)	(4)	3200
Profit/(loss) before tax	238	(796)		(2,249)	1,509	
Taxation	(1,418)	(155)	815	(1,418)	(284)	399
Profit/(loss) for the period/year attributable to owners of the Company	(1,180)	(951)		(3,667)	1,225	
Other comprehensive income/(loss)						
Foreign currency translation gain/(loss)	339	29	1069	1,383	(918)	(251)
Total comprehensive income/(loss) for the period/year attributable to owners of the Company	(841)	(922)		(2,284)	307	

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

The Group's profit/(loss) before tax was arrived at after (charging)/crediting the following:

	Fourth Quarter Ended 31 December			Financial Year Ended 31 December		
	2013	2012	Change	2013	2012	Change
	$'000	$'000	%	$'000	$'000	%
Other income :						
- interest income	12	1	1100	16	9	78
- subsidy income and government grant (1)	1,654	2	82600	1,740	44	3855
- gain on relocation (2)	-	174	(100)	40	3,471	(99)
Interest on interest-bearing bank loan and bank overdraft	(53)	-	100	(106)	-	100
Amortisation and depreciation	(252)	(118)	114	(644)	(439)	47
Allowance for doubtful debts	-	-	-	-	-	-
Bad debts written off	-	-	-	-	-	-
Write-off for stock obsolecence	-	-	-	-	-	-
Impairment in value of investments	-	-	-	-	-	-
Foreign exchange gain/(loss) *	222	(97)	(329)	560	(178)	(415)
Under provision of tax in respect of prior periods	(218)	-	100	(218)	-	100
Gain/(loss) on disposal of property plant and equipment	3	-	100	(1)	2	(150)
Listing expenses *	(492)	(342)	44	(2,478)	(1,780)	39

N.M. denotes not meaningful.
* included in general and administrative costs

Notes:

(1) There are no unfulfilled conditions or contingencies attached to the subsidy and grants recognised.

(2) The Group recognised the gain on relocation arising from the final receipt of relocation income of RMB0.2 million (approximately $0.04 million) in FY2013. The Group received relocation income of RMB17.8 million (approximately $3.5 million) and incurred incidental relocation costs of RMB0.2 million (approximately $0.05 million) in FY2012.

(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at		As at	
	31 December 2013 $'000	31 December 2012 $'000	31 December 2013 $'000	31 December 2012 $'000
Non-current assets				
Mine properties	571	675	-	-
Land use rights	1,721	1,642	-	-
Property, plant and equipment	32,033	28,778	-	-
Prepayments	4,267	2,093	-	-
Deposits	148	-	-	-
Intangible asset	162	-	-	-
Investment in subsidiary (1)	-	-	33,545	-
	38,902	33,188	33,545	-
Current assets				
Stocks	5,375	2,907	-	-
Trade receivables	398	137	-	-
Other receivables	9,591	1,750	*	*
Deferred expenses	-	343	-	343
Prepayments	808	492	181	-
Amounts due from subsidiary	-	-	3,239	-
Cash and bank balances	18,602	4,772	15,966	443
	34,774	10,401	19,386	786
Total assets	73,676	43,589	52,931	786
Current liabilities				
Trade payables	4,409	1,306	-	-
Other payables	6,967	10,172	931	661
Advances from customers	1,075	147	-	-
Amounts due to subsidiary	-	-	-	1,363
Amounts due to ultimate holding company	-	646	-	500
Interest-bearing bank loan	5,704	-	-	-
	18,155	12,271	931	2,524
Net current liabilities	16,619	(1,870)	18,455	(1,738)
Non-current liabilities				
Deferred tax liabilities	1,797	320	-	-
Deferred income	2,387	2,231	-	-
Provision for rehabilitation	169	158	-	-
	4,353	2,709	-	-
Total liabilities	22,508	14,980	931	2,524
Net assets/(liabilities)	**51,168**	**28,609**	**52,000**	**(1,738)**
Equity attributable to owners of the Company				
Share capital	56,541	32,548	56,541	*
Reserves	(5,373)	(3,939)	(4,541)	(1,738)
Total equity	**51,168**	**28,609**	**52,000**	**(1,738)**

* denotes amounts less than $1,000.

Note:

(1) In 2013, the Group undertook a Restructuring Exercise whereby the Company acquired the entire shareholding interest in Norwest Chemicals from Eastcomm. Subsequent to the completion of the Restructuring Exercise on 16 September 2013, the Company recognised Norwest Chemicals as a wholly owned subsidiary.

(1)(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

	Group			
	31 December 2013		31 December 2012	
	Secured	Unsecured	Secured	Unsecured
	$'000	$'000	$'000	$'000
Amount repayable				
In one year or less, or on demand	5,704	-	-	-
After one year	-	-	-	-
	5,704	-	-	-

Details of collaterals

Borrowings of the Group as at 31 December 2013 consisted of a short term bank loan of RMB27.5 million (approximately $5.7 million) which is secured by land use rights with net book value of approximately RMB8.3 million (approximately $1.7 million) and certain property, plant and equipment with net book value of approximately RMB122.8 million (approximately $25.5 million) as at 31 December 2013.

An amount of $1.0 million of the Company’s fixed deposits is also pledged as collateral for bank overdraft facility. As at 31 December 2013, the bank overdraft facility was not utilised.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	Fourth Quarter ended 31 December		Financial Year ended 31 December	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Cash flows from operating activities :				
Profit/(Loss) before taxation	238	(796)	(2,249)	1,509
Adjustments for :				
Depreciation of property, plant and equipment	206	78	462	275
(Gain)/loss on disposal of property, plant and equipment	(3)	-	1	(2)
Amortisation of mine properties and land use rights	46	40	182	164
Gain on relocation	-	(174)	(40)	(3,471)
Incidental costs in connection to relocation	-	(48)	-	-
Interest expense	53	-	106	-
Interest income	(12)	(1)	(16)	(9)
Unwinding of discount for provision for rehabilitation	-	1	-	4
Listing expenses	492	342	2,478	1,780
Unrealised exchange gain	(299)	-	(734)	-
Operating profit/(loss) before working capital changes	721	(558)	190	250
(Increase) in stocks	(293)	(1,010)	(2,203)	(16)
(Increase)/decrease in receivables	(2,599)	290	(2,981)	(303)
Increase/(decrease) in payables	(729)	(406)	5,351	(1,531)
Cash (used in)/generated from operations	(2,900)	(1,684)	357	(1,600)
Interest received	12	1	16	9
Interest paid	(53)	-	(106)	-
Net cash flows (used in)/generated from operating activities	(2,941)	(1,683)	267	(1,591)
Cash flows from investing activities :				
Purchase of property, plant and equipment	(4,145)	(1,756)	(11,975)	(8,215)
Payment for mine properties	-	-	-	(30)
Payments made in advance for				
- land use rights	-	(509)	-	(509)
- property, plant and equipment	(2,018)	1,067	(2,018)	(45)
Proceeds from disposal of property, plant and equipment	-	-	-	2
Compensation proceeds from government for relocation of factory	-	271	40	3,519
Incidental costs in relation to relocation	-	(43)	-	(479)
Payment of deposit	-	-	(104)	-
Payment for intangible asset	(158)	-	(158)	-
Net cash flows used in investing activities	(6,321)	(970)	(14,215)	(5,757)
Cash flows from financing activities :				
Repayment of bank loan	(908)	-	(1,009)	-
Proceeds from bank loan	5,575	-	6,559	-
Amount due to ultimate holding company	-	-	-	(1,404)
Increase in pledged deposits	(1,001)	1	(1,001)	-
Proceeds from issue of new shares	-	-	1,200	11,500
Proceeds from initial public offering	24,400	-	24,400	-
Payments incurred in relation to the initial public offering	(2,391)	(223)	(3,565)	(1,281)
Net cash flows generated from/(used in) financing activities	25,675	(222)	26,584	8,815
Net increase/(decrease) in cash and cash equivalents	16,413	(2,875)	12,636	1,467
Cash and cash equivalents at beginning of period	889	7,304	4,613	3,047
Effects of exchange rate changes on cash and cash equivalents	129	184	182	99
Cash and cash equivalents at end of period	17,431	4,613	17,431	4,613

	Fourth Quarter ended 31 December		Financial Year ended 31 December	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Cash and bank balances	18,602	4,772	18,602	4,772
Less : pledged deposits	(1,171)	(159)	(1,171)	(159)
Cash and cash equivalents at end of period	17,431	4,613	17,431	4,613

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital	Merger reserve	Retained earnings	Foreign currency translation reserve	Safety fund surplus reserve	Total reserves	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2013							
Balance at 1 January 2013	32,548	-	(5,032)	1,093	-	(3,939)	28,609
Total comprehensive income/(loss) for the period	-	-	(749)	365	-	(384)	(384)
Issue of new shares	1,846	-	-	-	-	-	1,846
Transfer to safety fund surplus reserve	-	-	(13)	-	13	-	-
Utilisation of safety fund surplus reserve	-	-	13	-	(13)	-	-
Balance at 31 March 2013	34,394	-	(5,781)	1,458	-	(4,323)	30,071
Total comprehensive income/(loss) for the period	-	-	(1,856)	729	-	(1,127)	(1,127)
Transfer to safety fund surplus reserve	-	-	(61)	-	61	-	-
Utilisation of safety fund surplus reserve	-	-	15	-	(15)	-	-
Balance at 30 June 2013	34,394	-	(7,683)	2,187	46	(5,450)	28,944
Total comprehensive income/(loss) for the period	-	-	118	(50)	-	68	68
Issue of new shares	33,545	-	-	-	-	-	33,545
Adjustment arising from Restructuring Exercise	(34,394)	850	-	-	-	850	(33,544)
Transfer to safety fund surplus reserve	-	-	(1)	-	1	-	-
Utilisation of safety fund surplus reserve	-	-	17	-	(17)	-	-
Balance at 30 September 2013	33,545	850	(7,549)	2,137	30	(4,532)	29,013
Total comprehensive income/(loss) for the period	-	-	(1,180)	339	-	(841)	(841)
Issue of new shares	24,400	-	-	-	-	-	24,400
Share issuance expenses	(1,404)	-	-	-	-	-	(1,404)
Transfer to safety fund surplus reserve	-	-	(29)	-	29	-	-
Utilisation of safety fund surplus reserve	-	-	59	-	(59)	-	-
Balance at 31 December 2013	56,541	850	(8,699)	2,476	-	(5,373)	51,168

For the purpose of the preparation of the combined financial statements, the share capital of the Group prior to the completion of the Restructuring Exercise on 16 September 2013 represented the issued and paid up share capital of the Company and Norwest Chemicals.

Pursuant to the completion of the Restructuring Exercise, the issued share capital of the Group as at 30 September 2013 represented the pre-IPO share capital of the Company. The issued share capital of the Group as at 31 December 2013 represented the post-IPO share capital of the Company.

Group	Share capital	Merger reserve	Retained earnings	Foreign currency translation reserve	Safety fund surplus reserve	Total reserves	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2012							
Balance at 1 January 2012	21,048	-	(6,257)	2,011	-	(4,246)	16,802
Total comprehensive income/(loss) for the period	-	-	1,174	(448)	-	726	726
Transfer to safety fund surplus reserve	-	-	-	-	-	-	-
Utilisation of safety fund surplus reserve	-	-	-	-	-	-	-
Balance at 31 March 2012	21,048	-	(5,083)	1,563	-	(3,520)	17,528
Total comprehensive income/(loss) for the period	-	-	1,144	241	-	1,385	1,385
Transfer to safety fund surplus reserve	-	-	(18)	-	18	-	-
Utilisation of safety fund surplus reserve	-	-	18	-	(18)	-	-
Balance at 30 June 2012	21,048	-	(3,939)	1,804	-	(2,135)	18,913
Total comprehensive income/(loss) for the period	-	-	(142)	(740)	-	(882)	(882)
Balance at 30 September 2012	21,048	-	(4,081)	1,064	-	(3,017)	18,031
Total comprehensive income/(loss) for the period	-	-	(951)	29	-	(922)	(922)
Issue of new shares	11,500	-	-	-	-	-	11,500
Transfer to safety fund surplus reserve	-	-	(28)	-	28	-	-
Utilisation of safety fund surplus reserve	-	-	28	-	(28)	-	-
Balance at 31 December 2012	32,548	-	(5,032)	1,093	-	(3,939)	28,609

Company	Share capital $'000	Accumulated losses $'000	Total reserves $'000	Total equity $'000
2013				
Balance at 1 January 2013	*	(1,738)	(1,738)	(1,738)
Total comprehensive income/(loss) for the period	-	(1)	(1)	(1)
Balance at 31 March 2013	*	(1,739)	(1,739)	(1,739)
Total comprehensive income/(loss) for the period	-	41	41	41
Balance at 30 June 2013	*	(1,698)	(1,698)	(1,698)
Total comprehensive income/(loss) for the period	-	(1,926)	(1,926)	(1,926)
Issue of new shares	33,545	-	-	33,545
Balance at 30 September 2013	33,545	(3,624)	(3,624)	29,921
Total comprehensive income/(loss) for the period	-	(917)	(917)	(917)
Issue of new shares	24,400	-	-	24,400
Share issuance expenses	(1,404)		-	(1,404)
Balance at 31 December 2013	56,541	(4,541)	(4,541)	52,000
2012				
Balance at 1 January 2012/incorporation	*	-	-	*
Total comprehensive income/(loss) for the period	-	(6)	(6)	(6)
Balance at 31 March 2012	*	(6)	(6)	(6)
Total comprehensive income/(loss) for the period	-	(16)	(16)	(16)
Balance at 30 June 2012	*	(22)	(22)	(22)
Total comprehensive income/(loss) for the period	-	*	*	*
Balance at 30 September 2012	*	(22)	(22)	(22)
Total comprehensive income/(loss) for the period	-	(1,716)	(1,716)	(1,716)
Balance at 31 December 2012	*	(1,738)	(1,738)	(1,738)

* denotes amounts less than $1,000.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company entered into a restructuring agreement with Eastcomm in 2013 to acquire the entire issued and paid-up share capital of Norwest Chemicals. Please refer to the Company's Offer Document for further details on the Restructuring Exercise.

Pursuant to the restructuring agreement, the purchase consideration was satisfied by the allotment and issuance of shares (“Consideration Shares”) as follows:

i) 16,000,000 Consideration Shares was allotted and issued to Eastcomm; and

ii) 638,399,992 Consideration Shares was allotted and issued to Eastcomm and holders of convertible loan notes issued by Eastcomm.

Prior to the final issue of shares pursuant to the Restructuring Exercise, the 16,000,002 shares in the Company were sub-divided into 64,000,008 shares (the “Share Split”).

On 7 October 2013, the Company issued 97.6 million ordinary shares arising from the IPO and incurred share issuance expenses of $1.4 million.

	2013		2012	
	Number of shares issued	**Paid-up capital ($)**	**Number of shares issued**	**Paid-up capital ($)**
As at 1 January/incorporation	2	2	2	2
Issue of shares pursuant to Restructuring Exercise	16,000,000	16,000,000	-	-
Total issued shares before Share Split	16,000,002	16,000,002	2	2
Total issued shares after Share Split	64,000,008	16,000,002	-	-
Final issue of shares pursuant to Restructuring Exercise	638,399,992	17,544,782	-	-
New shares issued pursuant to the Invitation	97,600,000	24,400,000	-	-
Shares issuance expenses	-	(1,403,787)	-	-
As at 31 December	800,000,000	56,540,997	2	2

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Company	
	31 December 2013	**31 December 2012**
Total number of issued shares (excluding treasury shares)	800,000,000	2 *

* total number of issued shares before Share Spilt.

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable. The figures have not been audited nor reviewed by the auditors.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Paragraph 5, the Group and the Company have applied the same accounting policies and methods of computations in the financial statements for the current reporting period as those of the most recently audited combined financial statements for the financial year ended 31 December 2012.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are mandatory for the financial period beginning on 1 January 2013. The adoption of these new/revised FRS, INT FRS and amendments to FRS has no material impact on the financial performance or position of the Group and the Company.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

(a) based on the weighted average number of ordinary shares on issue; and

(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	Fourth Quarter ended 31 December		**Financial Year ended 31 December**	
	2013	**2012**	**2013**	**2012**
Profit/(loss) for the period attributable to owners of the Company ($'000)	(1,180)	(951)	(3,667)	1,225
Number of ordinary shares ('000) [(1)]	702,400	702,400	702,400	702,400
Earnings per share (cents)				
- Basic and fully diluted	(0.17)	(0.14)	(0.52)	0.17
Number of ordinary shares ('000) [(2)]	800,000	800,000	800,000	800,000
Earnings per share (cents)				
- Basic and fully diluted	(0.15)	(0.12)	(0.46)	0.15

Notes:
(1) Earnings per share ("EPS") of the Group for financial year and fourth quarter ended 31 December 2012 and 2013 have been computed based on pre-IPO share capital of 702,400,000 ordinary shares.
(2) EPS of the Group for financial year and fourth quarter ended 31 December 2012 and 2013 have been computed based on post-IPO share capital of 800,000,000 ordinary shares.

The EPS on the weighted average number of ordinary shares in issue and the EPS on a fully diluted basis were the same as there were no potentially dilutive instruments as at 31 December 2012 and 2013.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	As at		As at	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Net asset value ($'000)	51,168	28,609	52,000	(1,738)
Number of ordinary shares ('000) (1)	702,400	702,400	702,400	702,400
Net asset value per ordinary share (cents)	7.28	4.07	7.40	(0.25)
Number of ordinary shares ('000) (2)	800,000	800,000	800,000	800,000
Net asset value per ordinary share (cents)	6.40	3.58	6.50	(0.22)

Notes:
(1) Net asset value per share of the Group and the Company as at 31 December 2012 and 2013 have been computed based on pre-IPO share capital of 702,400,000 ordinary shares.
(2) Net asset value per share of the Group and the Company as at 31 December 2012 and 2013 have been computed based on post-IPO share capital of 800,000,000 ordinary shares.

The net asset value of the Group does not account for the fair market value of the mines and the P_4 plant outlined in Independent Valuation Report. For further details, please see Background on page 1 of this announcement.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The figures in this section are approximate figures and where applicable, have been rounded to the nearest one decimal place.

Our Group is organised into business units based on their products and services as follows:

a) upstream segment relates to our business of exploration, mining and sale of phosphate rocks (the “Upstream segment”); and

(b) downstream segment relates to our business of manufacturing, sale and trading of phosphate-based chemicals products such as P_4, sodium tripolyphosphate (“STPP”) and sodium hexametaphosphate (“SHMP”); and the sale of by-products, such as slag, produced as a result of such manufacturing process (the “Downstream segment”).

Profit or loss

Revenue

Revenue for the Group increased by $1.8 million or 185% to $2.7 million for fourth quarter ended 31 December 2013 ("4Q2013"), from $0.9 million for the same period in 2012 ("4Q2012"). The increase in revenue was contributed by both Upstream and Downstream segments.

	Group		
	4Q2013	**4Q2012**	**Change**
	$'000	**$'000**	**%**
Upstream segment			
Phosphate rocks	1,918	779	146
Downstream segment			
STPP	537	131	310
SHMP	65	38	71
Slag	180	-	100
	782	169	
Total	2,700	948	185

Revenue from sale of phosphate rocks increased by 146% due to increase in quantity of phosphate rocks sold in 4Q2013 of 26,600 tonnes as compared to 9,500 tonnes in 4Q2012. Increase in revenue from the increase in quantity of phosphate rocks sold was partially offset by reduction in average selling price to RMB354 (or equivalent to $71 based on the exchange rate of RMB4.955 : S$1.00) in 4Q2013 from RMB426 (or equivalent to $84 based on the exchange rate RMB5.058 : S$1.00) in 4Q2012. The lower average selling price was mainly due to decrease in the market price of phosphate rocks and also because the Group sold the lower quality phosphate rocks while keeping the higher quality phosphate rocks for its P_4 trial production, which commenced in May 2013.

Revenue from sale of STPP increased by 310% due to increase in quantity sold in 4Q2013 of 340 tonnes as compared to 90 tonnes in 4Q2012. Increase in revenue from the increase in quantity of STPP sold was partially offset by reduction in average selling price to RMB7,831 (or equivalent to $1,580 based on the exchange rate of RMB4.955 : S$1.00) in 4Q2013 from RMB8,033 (or equivalent to $1,588 based on the exchange rate RMB5.058 : S$1.00) in 4Q2012.

Revenue from SHMP increased by 71% due to increase in quantity sold of 40 tonnes in 4Q2013 from 20 tonnes in 4Q2012. Average selling price of SHMP was RMB8,834 (or equivalent to $1,783 based on the exchange rate of RMB4.955 : S$1.00) and RMB8,991 (or equivalent to $1,778 based on the exchange rate RMB5.058 : S$1.00) in 4Q2013 and 4Q2012 respectively.

Slag is a by-product of P_4 production. In 4Q2013, revenue generated from sale of 20,400 tonnes of slag contributed $0.2 million of total revenue. There were no sales of slag in 4Q2012 as P_4 trial production only started in May 2013.

Gross profit

Gross profit increased by 49%, to 0.7 million in 4Q2013 from $0.5 million in 4Q2012 in line with the increase in revenue for 4Q2013. Gross profit margin reduced to 27.2% in 4Q2013 from 52.0% in 4Q2012 mainly due to reduction in gross profit margin from Upstream segment as revenue from sales of phosphate rocks represented 71.0% of total revenue in 4Q2013.

	Group		
	4Q2013	4Q2012	Change (%)
Gross profit ($'000)			
Upstream segment	549	442	24
Downstream segment	185	51	263
Total	734	493	
Gross profit margin (%)			
Upstream segment	29	57	
Downstream segment	24	30	

Gross profit margin for Upstream segment reduced to 29% in 4Q2013, from 57% in 4Q2012, due to the reduction in average selling prices in 4Q2013.

Gross profit margin for Downstream segment reduced to 24% in 4Q2013, from 30% in 4Q2012. The decline in gross profit margin was mainly due to higher costs incurred in 4Q2013 for certain batches of STPP, which resulted in increase in average cost of sales in 4Q2013. Reduction in gross profit margin was partially offset by contribution from sale of slag in 4Q2013.

Other income

Other income increased by $1.4 million or 602% to $1.7 million in 4Q2013, from $0.2 million in 4Q2012 mainly due to a grant of RMB8 million (approximately $1.6 million) from the PRC government for our contribution to the improvement to the environment of Mianzhu City. In 4Q2013, the Group had fulfilled conditions attached to the grant.

The increase in other income was partially offset by absence of relocation gain of $0.2 million received in 4Q2012. There was no such gain in 4Q2013.

Selling and distribution costs

Selling and distribution costs increased by $0.05 million or 107% to $0.09 million in 4Q2013, from $0.04 million in 4Q2012 mainly due to the increase in transportation costs arising from increase in STPP sold in 4Q2013.

General and administrative costs

General and administrative costs increased by $0.5 million or 34% to $2.0 million in 4Q2013, from $1.5 million in 4Q2012 mainly due to increases in:

a) Non-recurring expenses like listing expenses and cost incurred in improving the environment by $0.2 million and $0.2 million respectively. The environmental cost was incurred to improve the environmental conditions of Mianzhu City and to support our application for environmental grant;
b) Corporate expenses, including directors' remuneration and fees as well as office rental, by $0.3 million in 4Q2013;
c) Other general operating costs such as continuing sponsorship fees, internal controls and risk assessment fees, telephone charges as well as travelling and entertainment costs.

The above increases in general and administrative costs were partially offset by increase in exchange gains by $0.3 million.

Finance costs

The increase in finance costs was mainly due to interest expense incurred on an interest-bearing bank loan obtained in 4Q2013. In 4Q2012, the Group had no interest-bearing bank loan.

Taxation

The Group previously recognised deferred tax asset arising from unutilised tax losses.

In 4Q2013, the Group reversed deferred tax assets of $1.0 million due to the utilisation, over provision and expiry of prior year tax losses totalling $4.0 million. The Group also provided deferred tax liabilities of $0.4 million arising from tax exposure in relation to certain income items.

Balance sheet

Non-current assets

Non-current assets increased from $33.2 million as at 31 December 2012 to $38.9 million as at 31 December 2013 mainly due to:

a) increase in property, plant and equipment by $3.3 million, which was a result of favourable translation differences and additions in plant and equipment;
b) increase in prepayment for property, plant and equipment by $2.1 million;
c) deposits of $0.1 million paid to the government in respect of the Group's mining activities and rehabilitation obligations upon closure of mines in future and is not expected to be refunded within 12 months from 31 December 2013; and
d) intangible asset of $0.2 million arising from registration costs of a license to export to countries in the European Union ("EU").

Current assets

Current assets increased from $10.4 million as at 31 December 2012 to $34.8 million as at 31 December 2013 mainly due to increases in:

a) stocks by $2.5 million mainly due to the Group's increase in output for phosphate rocks in FY2013 as well as raw materials for P_4 and STPP production;
b) trade receivables by $0.3 million mainly due to the increase in sales of STPP in December 2013;
c) other receivables by $7.8 million mainly due to recognition of P_4 produced as part of the testing process of the P_4 plant and an environmental grant receivable from the PRC government;
d) prepayments by $0.3 million mainly due to prepaid expenses and advances to suppliers; and
e) cash and bank balances by $13.8 million due to receipt of proceeds from the IPO.

The above increases in current assets were partially offset by reduction in deferred expenses of $0.3 million as the Company completes its IPO exercise in October 2013.

Current liabilities

Current liabilities increased from $12.3 million as at 31 December 2012 to $18.2 million as at 31 December 2013 mainly due to increases in:

a) trade payables by $3.1 million mainly due to increase in amounts payable to our suppliers and contractors as a result of increased mining and downstream productions in FY2013;
b) advances from customers by $0.9 million; and
c) interest-bearing bank loan by $5.7 million. The bank loan is secured by land use rights and certain property, plant and equipment and is due in November 2014.

The above increases were partially offset by reduction in amounts due to ultimate holding company by $0.6 million as the amount was capitalised during 1Q2013 and reduction in other payables by $3.2 million mainly due to repayments made by the Group for its property, plant and equipment.

Non-current liabilities

Non-current liabilities increased from $2.7 million as at 31 December 2012 to $4.4 million as at 31 December 2013 due to increase in deferred tax liabilities by $1.5 million. In 4Q2013, the Group reversed deferred tax asset of $1.0 million, as the tax losses, which gave rise to the deferred tax asset, are no longer available for offset against future taxable profits after FY2013. In addition, the Group provided deferred tax liabilities of $0.4 million arising from tax exposure in relation to certain income items.

Cash flow statement

Net cash used in operating activities was $2.9 million for 4Q2013. The Group recorded operating profit before working capital changes of $0.7 million and working capital outflow of $3.6 million. Increase in stocks and receivables as well as decreases in payables, by $0.3 million, $2.6 million and $0.7 million respectively, contributed to the working capital outflows.

Net cash used in investing activities was $6.3 million for 4Q2013 mainly due to payments made for plant and equipment, deposit, intangible asset and prepayment for property, plant and machinery.

Net cash generated from financing activities was $25.7 million for 4Q2013 mainly due to net proceeds from bank loan of $4.7 million and proceeds received from IPO of $24.4 million. Cash flow generated from financing activities was partially reduced by increase in pledged deposits of $1.0 million and payments incurred in relation to the IPO of $2.4 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

FY2013 was the year that the Group was listed on the Catalist Board of Singapore Exchange. The Group mined 35,300 tonnes of phosphate rocks in 4Q2013. This boosted the mining output for FY2013 to about 128,300 tonnes, more than double the quantity mined in FY2012 (60,100 tonnes).

In line with our strategy to grow in a sustainable and responsible manner, we have invested capital to increase the number of producing wells and acquired equipment to increase our mining output and improve safety measures. We also commenced the trial production of P_4. These measures were necessary and were made to build up and enhance the Group's future value, and we expect benefits to gradually kick in after FY2013.

Upstream Segment

We resumed our mining activities in Mine 1 (the Cheng Qiang Yan mine) in December 2013, with output of 35,300 tonnes of phosphate rocks mined in 4Q2013. This boosted the mining output for the full year to about 128,300 tonnes, more than double the quantity mined in FY2012 (60,100 tonnes) and exceeding our budgeted mine production for FY2013. This was achieved even though we lost two and a half months of mining time as the access roads to the mines were damaged during and after the wet season. As at 31 December 2013, we have over 39,000 tonnes phosphate rocks in our inventory that we may sell or use for our P_4 production. We achieved higher average selling prices for the rocks sold in January and February 2014 and barring unforeseen circumstances, we expect the upward trend to continue.

In January 2014, we obtained the mining safety permit for Mine 2 (the Shi Sun Xi mine) which will enable us to commence commercial mining this year.

For the year ending 31 December 2014 ("FY2014"), barring unforeseen circumstances, we plan to increase our mining output and we believe that this will contribute positively to our Group's performance.

Downstream Segment

The Group has successfully completed the trial production of P_4. It proved to be challenging and took longer than expected to complete. More rocks were used in the trial production than planned and a significant amount of capital was tied in the P_4 production, resulting in interest expense on our bank facilities.

As at the end of FY2013, we have over 2,500 tonnes of P_4 in our storage tanks. We are in the process of obtaining certification and approvals from the relevant authorities so that we can commence sale of the P_4. The P_4 currently in the storage tanks will not contribute to our revenue and profitability. However, the cash proceeds from their sale will improve our working capital. Commercial production of P_4 is expected to commence in 2Q2014 and the sale of such P_4 should contribute positively to the Group's performance.

We have recently completed the registration for REACH (the Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals, a regulation body of the EU) and we will actively market to EU customers. However, the recent strengthening of the Renminbi has made our exports more expensive to our customers and we may see some erosion of margin on our export sales which are predominantly denominated in US dollars as we may not be able to pass the higher cost to these export customers.

Outlook

The lower margins from sale of phosphate rocks, and higher general and administrative expenses (mainly professional fees incurred in connection with the IPO and other listed company expenses that were recognised in 4Q2013 after our successful listing) and interest expense have impacted our 4Q2013 financial performance.

With the absence of non-recurring costs such as professional fees for the IPO that we recognised in FY2013, and the successful IPO in 3Q2013, the Group is in a better position financially and operationally to capitalise on opportunities that may arise in FY2014.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b)(i) Amount per share

Not applicable.

(b)(ii) Previous corresponding period

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the fourth quarter and financial year ended 31 December 2013.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained from shareholders.

Other than the interested person transactions as disclosed in the Offer Document under the section “Interested Person Transactions – Present and Ongoing Interested Period Transactions” (Page 191) which has been deemed approved by our Shareholders, there were no other interested person transactions during the financial period under review.

14. Use of IPO proceeds.

As of the date of this announcement, the utilisation of the Group's IPO net proceeds is set out below:

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
	$'000	$'000	$'000
Development and financing of our Mining Operations	8,500	(864)	7,636
Financing the balance of Phase 1 and Phase 2 of the Rebuilding Programme	11,499	(3,521)	7,978
Working capital	1,553	(1,167) (1)	386
Net proceeds	21,552	(5,552)	16,000

(1) Out of the S$1.2 million utilised as working capital as at the date of this announcement, an amount of S$0.2 million was in relation to listing expenses incurred in addition to the estimated expenses of S$2.8 million as disclosed in the Offer Document.

The Company will make periodic announcements on the use of the proceeds as and when the funds are materially disbursed.

Part II Additional Information Required for Full Year Announcement

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

For management purposes, the Group is organised into business units based on their products and services and has two reportable segments as follows:

a. upstream segment relates to our business of exploration, mining and sale of phosphate rocks (the "Upstream segment"); and

b. downstream segment relates to our business of manufacturing, sale and trading of phosphate-based chemicals products such as P_4, STPP and SHMP; and the sale of by-products, such as slag, produced as a result of such manufacturing process (the "Downstream segment").

No operating segments have been aggregated to form the above reportable operating segments.

The Chief Operating Decision Maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the combined financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments. The Chief

Operating Decision Maker does not monitor assets and liabilities by segments. The assets and liabilities are managed on a group basis. However, the information on additions to mine properties, land use rights and property, plant and equipment by operating segments is regularly provided to the Chief Operating Decision Maker.

	Upstream		Downstream		Adjustments and eliminations		Note	Total	
	FY2013	FY2012	FY2013	FY2012	FY2013	FY2012		FY2013	FY2012
	$'000	$'000	$'000	$'000	$'000	$'000		$'000	$'000
Profit or loss									
Revenue - external	6,535	3,700	1,923	1,197	-	-	A	8,458	4,897
(Loss)/gain on disposal of property, plant and equipment	-	-	-	2	(1)	-		(1)	2
Amortisation of mine properties	(147)	(130)	-	-	-	-		(147)	(130)
Amortisation of land use rights	-	-	(35)	(34)	-	-		(35)	(34)
Depreciation of property, plant and equipment	(286)	(137)	(158)	(130)	(18)	(8)	B	(462)	(275)
Gain on relocation	-	-	-	-	40	3,471	B	40	3,471
Listing expenses	-	-	-	-	(2,478)	(1,780)	B	(2,478)	(1,780)
Segment profit/(loss) before tax	694	852	(470)	118	(2,473)	539	C	(2,249)	1,509
Assets									
Additions to non-current assets	1,633	1,262	1,955	12,420	6	17	D	3,594	13,699

Note Additional information and nature of adjustments and eliminations to arrive at amounts reported

A There were no inter-segment revenue.

B Adjustments relate to unallocated corporate income and expenses.

C The following items were added to segment profit/(loss) to arrive at "(loss)/profit before tax presented in this announcement:

	Group	
	FY2013	FY2012
	$'000	$'000
Gain on relocation	40	3,471
Government grant and subsidy income	1,740	44
Exchange gain/(loss)	560	(178)
Finance costs	(132)	(4)
Listing expenses	(2,478)	(1,780)
Other corporate expenses	(2,203)	(1,014)
	(2,473)	539

D Additions to non-current assets comprised of additions to property, plant and equipment, deposits and intangible asset.

Geographical information

Revenue information based on the geographical location of customers are as follows:

	Group			
	FY2013		FY2012	
	$'000	%	$'000	%
People's Republic of China	7,467	88	4,373	89
New Zealand	342	4	305	6
Others	649	8	219	5
	8,458	100	4,897	100

Non-current assets information based on the geographical location of assets is as follows:

	Group	
	FY2013	FY2012
	$'000	$'000
People's Republic of China	38,891	33,176
Singapore	11	12
	38,902	33,188

Non-current assets information presented above consist of property, plant and equipment, mine properties, land use rights, prepayments, deposits and intangible asset as presented in the combined balance sheets.

Information about major customers

Revenue information about major customers are as follows:

	Group			
	FY2013		FY2012	
	$'000	%	$'000	%
Customer A (1)	-	-	2,024	41
Customer B (1)	4,589	54	-	-
Customer C (1)	78	1	556	11

(1) These customers contribute to the revenue from the upstream segment.

Information about products

Revenue information based on products are as follows:

	Group FY2013 $'000	Group FY2012 $'000
Phosphate rocks	6,535	3,700
STPP	1,419	965
SHMP	266	232
Slag	238	-
	8,458	4,897

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

See paragraph 8.

17. A breakdown of sales as follows:

Group	FY2013 $'000	FY2012 $'000	Increase/ (decrease) %
a) Revenue			
- first half year	2,154	2,593	(17)
- second half year	6,304	2,304	174
	8,458	4,897	73
(b) Operating (loss)/profit after tax before deducting minority interests			
- first half year	(2,605)	2,318	(212)
- second half year	(1,062)	(1,093)	(3)
	(3,667)	1,225	(399)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:—

(a) Ordinary

(b) Preference

(c) Total

Not applicable – no dividend was declared in FY2012 and FY2013.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ong Hian Eng	66	(i) Uncle of Simon Ong, executive director and Raymond Ong, a non-executive director. (ii) Father of Ong Bee Pheng, a non-executive director.	(i) Current Position: Chief Executive Officer and Executive Director. (ii) Duties: Responsible for overseeing the overall development of Group's corporate direction, policies and operations. (iii) Appointed since 3 January 2012.	Nil
Ong Eng Hock Simon ("Simon Ong")	49	(i) Brother of Raymond Ong, a non-executive director. (ii) Nephew of Ong Hian Eng, CEO and executive director. (iii) Cousin of Ong Bee Pheng, a non-executive director.	(i) Current Position: Executive Director. (ii) Duties: human resource and general administration functions of the Group. (iii) Appointed since 1 October 2012.	Nil
Ong Eng Siew Raymond ("Raymond Ong")	47	(i) Brother of Simon Ong, a non-executive director. (ii) Nephew of Ong Hian Eng, CEO and executive director. (iii) Cousin of Ong Bee Pheng, a non-executive director.	(i) Current Position: Non-Executive Director. (ii) Duties: Non-executive. (iii) Appointed since 1 October 2012.	Nil
Ong Bee Pheng	38	(i) Cousin of Raymond Ong, a non-executive director; and Simon Ong, an executive director. (ii) Daughter of Ong Hian Eng, CEO and executive director.	(i) Current Position: Non-Executive Director. (ii) Duties: Non-executive. (iii) Appointed since: 1 October 2012.	Nil

20. Additional disclosure required for Mineral, Oil and Gas companies

20(a) Rule 705(6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the quarter :

	Actual
	S$'000
Further mining and exploration activities	246
Mining related infrastructure and equipment	346
	592

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions :

	Projected	
	RMB'000	**S$'000***
Further mining and exploration activities	1,335	277
Mining related infrastructure and equipment	2,145	445
	3,480	722

* based on exchange rate of RMB4.822 : S$1

Our exploration plans for 1Q2014 will include the following activities :

a) Mine well (adit) construction for our 2 Mines and repairs and improvement to infrastructure

b) Enhancement to Safety

Implement safety features and purchase of related equipment for the adits and mining levels for both mines.

Our mining operations are subject to a number of operating risks and potential hazards normally associated with the exploration and extraction of natural resources, some of which are beyond our control. The occurrence of any operating risk and potential hazard could affect the projections above. These operating hazards and risks include, *inter alia*, the following:

(a) periodic interruptions of our mining operations due to inclement or hazardous weather conditions (including flooding, mudslides and landslides) and natural disasters;
(b) interruptions due to transportation disruptions and/ or delays;
(c) accidents;
(d) power or fuel supply interruptions;
(e) unexpected maintenance or technical problems;
(f) labour issues;
(g) boundary disputes;
(h) disputes with third parties;
(i) critical equipment failures in our mining operations; and
(j) unusual or unexpected variations in the mine and its geological or mining conditions, such as instability of the slopes and subsidence of the working areas.

20(b) Rule 705(6) of the Catalist Listing Manual

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

20(c) Rule 705(7) of the Catalist Listing Manual

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Group and a summary of the expenditure incurred on those activities including explanations for any material variances with previous projections, for the period under review. If there has been no exploration development and/or production activity respectively, that fact must be stated.

	Projected		Actual	Variance
	RMB'000	S$'000*	S$'000	S$'000
Further mining and exploration activities	5,246	1,070	246	824
Mining related infrastructure and equipment	1,271	259	346	(87)
	6,517	1,329	592	737

* based on exchange rate of RMB4.90 : S$1

Our actual expenditure for mining and exploration activities were lower than the amount projected due to loss of two and a half months of mining time as the access roads to the mines were damaged during and after the wet season.

Our activities in 4Q2013 included the following:-

a) Mine well (adit) construction, and detailed sampling of exploration right in the vicinity of Mine 1 for the proposed conversion of the exploration right to a mining right;
b) Safety enhancements; and
c) Repair and improve access roads to the mine

20(d) Rule 705(7)(b) of the Catalist Listing Manual

Update on its reserve and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

An Independent Technical Report as at 31 December 2013 is currently being prepared. Pending the release of the report, the Group has no material updates on our phosphate resources.

On behalf of the Board of Directors,

Ong Eng Hock Simon
Executive Director
21 February 2014