
MINING OPERATIONS – UPDATE ON THE EXPIRY OF MINE 2 MINING RIGHT AND APPLICATION FOR RENEWAL

Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the offer document dated 25 September 2013, and registered by the Singapore Exchange Securities Trading Limited acting as agent on behalf of the Monetary Authority of Singapore on 25 September 2013 and the Company's announcements dated 3 March 2017, 24 November 2017, 30 November 2017, 4 December 2017, 24 January 2018, 9 February 2018, 28 February 2018, 28 March 2018 and 10 April 2018, 22 June 2018, 31 August 2018, 15 November 2018, 11 April 2019, 29 April 2019 and 4 November 2019 (the “**Announcements**”).

1. INTRODUCTION

The board of directors (the “**Board**”) of AsiaPhos Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to inform shareholders of the Company (“**Shareholders**”) that Mianzhu Norwest had on 2 January 2020, submitted an application to the Sichuan Provincial Authority for the renewal of the Mine 2 Mining Right (the “**Application**”) which expired on 9 January 2020.

2. UPDATE ON THE STATUS OF THE APPLICATION

Mianzhu Norwest has on 2 January 2020 received a notice from the Department of Natural Resources of Sichuan Province (四川省自然资源厅) (the “**Sichuan Provincial Authority**”) informing that additional information is required to be submitted in order for the application to be considered.

The Group had previously announced (on 24 November 2017) that we were requested to provide a letter of undertaking (the “Request for Undertaking”) to, *inter alia*, vacate and rehabilitate its mining sites in respect of Mine 2, as the mine is located within the JiuDingshan Nature Reserve.

The Group has been in discussion with the Chinese Government (since November 2017) for a settlement in relation to the cessation of the mining activities at Mine 1 and Mine 2 because of the Panda Park and the Mianzhu Government's direction to cease mining operations in the JiuDingshan Nature Reserve. The issue has been escalated to the Ministry of Commerce (‘MOFCOM’) for attention and the Group has asked the Singapore Government for assistance in raising this issue with the Chinese Government. We will continue to keep shareholders informed of any significant progress on this issue.

3. FURTHER ANNOUNCEMENTS

The Board confirms that, save for information which has not been disclosed with respect to ongoing negotiations with MOFCOM and the Sichuan Provincial Government and wherein there is no certainty or assurance on the outcome of the negotiations, all material disclosures, facts and information (including but not limited to disclosures pertaining to, *inter alia*, material operations and business of the Group, mining operations, and mining and exploration rights) have been provided and announced. Save as announced, the Board is not aware of any facts, information or disclosures, the omission of which would make any statement in this Announcement or previous announcements or disclosures misleading in any material respect.

The Company will make such further announcements at the appropriate juncture, as and when there are material developments in relation to this matter.



Shareholders and potential investors should exercise caution when trading in the Company's shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Dr Ong Hian Eng
Executive Director
AsiaPhos Limited

10 January 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes 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.

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