

FOR IMMEDIATE RELEASE

AsiaPhos signs MOU with key customer

- **Collaboration to include supply of phosphate rocks and market development of P₄**

SINGAPORE – 4 November 2016 – AsiaPhos Limited (“AsiaPhos” or the “Company”, and together with its subsidiaries, the “Group”), a Singapore-headquartered mineral resources company focused on exploring and mining phosphate with a vertically-integrated business model, today announced that its wholly-owned subsidiary, Sichuan Mianzhu Norwest Phosphate Chemical Limited (“**Mianzhu Norwest**”), had on 3 November 2016, entered into a non-binding memorandum of understanding (“**MOU**”) with Mianyang Aostar Phosphorus Chemical Industry Co., Ltd. (绵阳启明星磷化工有限公司) (“**Mianyang Aostar**”), to collaborate on certain initiatives in relation to the Group’s operations.

The initiatives under the MOU include (i) promoting the development of the market for P₄ in the People’s Republic of China (“**PRC**”); (ii) the supply of phosphate rocks by Mianzhu Norwest to Mianyang Aostar; (iii) the purchase of phosphate-based chemical products from each party to satisfy third party orders; and (iv) the purchase of electricity by Mianzhu Norwest by leveraging on Mianyang Aostar’s existing electricity arrangements, details of which are as further described below.

Mianyang Aostar is one of the biggest manufacturers in the PRC of yellow phosphorus, phosphoric acid and related phosphate products and purchases phosphate rocks from the Group.

Dr Ong Hian Eng (王显荣博士), Chief Executive Officer of AsiaPhos Limited said,

“This MOU formally seals the close and longstanding relationship we have with Mianyang Aostar, which is one of our key customers. The considerable synergies we have offer many partnership opportunities, which we believe can help to achieve

better market positioning, competitive advantages and cost savings, amongst other benefits. We are confident that this will be a mutually-rewarding collaboration and over time, will enhance the Group's performance."

Collaboration Initiatives

The collaboration initiatives contemplated under the MOU include the following:

1. Mianzhu Norwest and Mianyang Aostar will seek to enhance communication of information between them in relation to the market for P₄ in the PRC, with the aim of establishing reasonable pricing and the prevention of unfair competition.
2. Mianzhu Norwest will prioritise the fulfilment of purchase orders from Mianyang Aostar for phosphate rocks from the Group, subject to the Group's internal requirements. Under the MOU, Mianyang Aostar has indicated that it may purchase approximately 20,000 tonnes of phosphate rocks and up to 100,000 tonnes of phosphate rocks from the Group in the remaining months of 2016 and in 2017 respectively.
3. Mianzhu Norwest and Mianyang Aostar will seek to purchase phosphate-based chemical products from each other to satisfy orders which are in excess of their respective available inventory or capacity (where applicable).
4. Mianzhu Norwest will explore the purchase of electricity at preferential rates, by leveraging on Mianyang Aostar's existing electricity arrangements.

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About AsiaPhos Limited

AsiaPhos Limited was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 7 October 2013, and is the first mineral resources company listed on the SGX-ST which is solely focused on exploring and mining phosphate in the PRC with the ability to manufacture and produce phosphate-based chemical products. To make full use of phosphate, which is a valuable and non-renewable natural resource, AsiaPhos is adopting a vertically-integrated strategy which will comprise the mining of phosphate rocks from its existing mines and the production of phosphate-based chemical products. Led by an experienced management team, the Group currently owns two mining rights and three

exploration rights, and owns a downstream processing facility in the Gongxing Industrial Park (Sichuan).

**Issued for and on behalf of AsiaPhos Limited by
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This press release should be read in conjunction, and qualified in its entirety, with the SGX announcement by AsiaPhos dated 4 November 2016.

This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with the relevant rules of the SGX-ST.

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

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