



ANNOUNCEMENT

Singapore UEN 2012010180E | ARBN 158 717 492 | www.asaplusresources.com

A\$0.24

[27 January 2016]

ASX Code: AJY

ISSUED CAPITAL

Issued Shares: 88,000,000
Market Cap: \$21,120,000

BOARD OF DIRECTORS

Ir Che Mohamed Hussein
LAU Eng Foo (Andy)
Dominic LIM Kian Gam

QUARTERLY ACTIVITIES REPORT FOR THE QUARTER FROM 1 OCTOBER 2015 TO 31 DECEMBER 2015 (THE “REPORTING QUARTER”)

HIGHLIGHTS

- ◆ Completed all legal procedures, including the transfer of the legal representative, to fully transfer ownership of the Beikeng Mine to the Group.
- ◆ Commenced development works at the Beikeng Mine to bring it to commercial production.
- ◆ Substantially completed applications for other regulatory permits required to re-commence commercial production at the Beikeng Mine.

1. Summary of works relating to the Beikeng Mine

Works carried out during the Reporting Quarter focused on development works at the Beikeng Mine to bring it to commercial production. These works can be generally categorised into two categories:

- (a) works relating to physical development at the Beikeng Mine site; and
- (b) works relating to licensing applications and obtaining regulatory permits and approvals.

During the Reporting Quarter, the Group also completed all legal procedures, including the transfer of the legal representative, to fully transfer the ownership of the Beikeng Mine to the Group.

2. Development Works at the Beikeng Mine

During the Reporting Quarter, the Group completed:

- (a) draining all underground water that had flooded the production and access tunnels of the Beikeng Mine, and rebuilt the water drainage system comprising water pumps, motors and drain pipes;
- (b) installation of electrical and power supply systems for mining production and access tunnels, comprising power transformers, power cable and distribution points;

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- (c) tunnel repair works, comprising amongst others blockage clearance, cut-and-arc reinforcements and widening of tunnels to facilitate vehicular access for mining production purposes.

3. Licensing Applications and Regulatory Approvals

During the Reporting Quarter, the Group completed:

- (a) a geological and resource report (prepared under applicable standards in the PRC) for submission to the relevant authorities;
- (b) a detailed production plan for the Beikeng Mine, and an independent assessment thereof by an external expert approved by the relevant authorities;
- (c) an environment impact assessment report prepared by an external expert approved by the relevant authorities;
- (d) a report on the impact of commercial mineral extraction at the Beikeng Mine on the surrounding forest reserves, and obtained the approval thereof from the Forestry Bureau at the city level;
- (e) an environmental restoration plan report prepared by an external expert approved by the relevant authorities;
- (f) a geological damage assessment report prepared by an external expert approved by the relevant authorities; and
- (g) the assessment and approval of the resources levy payable to the Land Resources Bureau at the provincial level, which is the final approving authority for the Beikeng Mine.

4. Exploration Expenditure Incurred

Total expenditure incurred and paid for activities classified as exploration and investigation works carried out during the Reporting Quarter was A\$34,504. These expenses relate to works to meet the minimum expenditure requirement under local PRC regulations to preserve the Company's claim on the Silverstone Project, and costs for relevant evaluation and investigations works carried out on the Beikeng Mine as is necessary for the licensing applications and obtaining of regulatory approvals as outlined above.

Other Information Required Under Listing Rule 5.3

(a) Information Required under Listing Rule 5.3.2

During the Reporting Quarter, save as disclosed above in this quarterly report, no activity relating to mining production or development was carried out.

(b) Information Required under Rule 5.3.3

The mining tenements held at the end of the quarter and their location

The Silverstone Project, a 4.83 km² tenement located in Datian County, Sanming City, Fujian Province in the People's Republic of China, under exploration licence number T35120110102043628 which expired on 30 October 2014. The Company has applied to the relevant authorities for an extension of time to apply for the renewal of this exploration permit. As the Company does not have any immediate plan to commence commercial operations at the Silverstone Project, the Company will only apply for the extension of the exploration permit (as a precursor for the Company to complete its application for an extraction licence) at such time when demand for and prices of iron ore make it feasible to commence commercial operations at the Silverstone Mine.

The Beikeng Project, a 0.771 km² iron ore tenement located in Datian County, Sanming City, Fujian Province in the People's Republic of China, under extraction licence number C3500002010122110086857 which expires on 6 October 2017. The Company holds an 80% interest in the Beikeng Project.

The mining tenements acquired and disposed of during the quarter and their location.

None.

The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter.

None.

The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter.

None.

Issued for and on behalf of
ASAPLUS RESOURCES LIMITED

A handwritten signature in black ink, appearing to be 'Lau Eng Foo', written over a horizontal line.

Lau Eng Foo (Andy)
Managing Director
28 January 2016