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The Manager
Company Announcements
Australian Stock Exchange Ltd
20 Bridge Street
Sydney 2000
via: www.asxonline.com

Dear Sir/Madam

Investment in QLD Coking Coal Assets

ASF Group Limited (the "Company") is pleased to announce that it has signed a Heads of Agreement ("HOA") with Civil & Mining Resources Pty Ltd ("CMR") and its shareholders for the acquisition of a 68.205% equity interest in CMR from some of CMR's existing shareholders in exchange for a cash consideration of \$1,079,270.50.

Formal agreements are expected to be signed on or before 15 November 2013. The consideration will be paid out of internal resources of the Company and upon signing of the formal agreements.

Pursuant to the HOA, the Company will grant a convertible loan facility for up to \$5m ("Convertible Loan") to CMR over 2 years, which will be converted into shares of CMR at the Company's option. If the Company does not elect to convert upon maturity, the Convertible Loan will be repayable, together with interest of 10% per annum. An initial advance of \$150,000 has been made to CMR in accordance with the terms of the HOA.

Information about CMR

CMR is a coal exploration company incorporated in Queensland. The major assets of which comprises 27 Exploration Permits for Coal (EPCs) in Queensland. Trading as CMR Coal it has a substantial coal tenement portfolio, with ~14,182km² located throughout all the major coal-bearing basins in Queensland and are situated in close proximity to operating mines, infrastructure and proven economic coal resources. CMR offers a significant portfolio of prospective future hard coking, PCI and thermal coal projects ranging from potentially immediate to longer-term development timeframes.

Information about ASF

ASF is unique among ASX-listed public companies in Australia as a creator and facilitator of two-way cross-border investments, trade and funds management between China and Australia. Since its transformation into a Sino-Australian investment and



trading house in 2006, ASF has focused principally on the identification, incubation and realisation of opportunities across various industries including resource, property, finance and travel.

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