

Aspire Mining Limited
ACN 122 417 243



RIGHTS ISSUE PROSPECTUS

For a pro-rata renounceable rights issue of six (6) New Shares (together with one (1) attaching New Option for every four (4) New Shares subscribed for) for every five (5) Existing Shares held by Eligible Shareholders registered at 7.00pm (AEDT) on Wednesday, 15 November 2017 at an issue price of A\$0.012 per New Share to raise up to approximately A\$16.5 million (before costs).

The Rights Issue is scheduled to close at 5.00pm (AEDT) on Monday, 4 December 2017.

The Rights Issue is underwritten by Patersons Securities Limited (ABN 69 008 896 311).

This Prospectus also contains an offer of Underwriter Options proposed to be issued to the Underwriter or as the Underwriter may direct.

IMPORTANT INFORMATION

This is an important document and requires your immediate attention.

If you are an Eligible Shareholder, you should read this Prospectus in its entirety before deciding whether to apply for New Shares and New Options.

If you do not understand any part of this Prospectus, or are in any doubt as to how to deal with it or your Entitlement, you should consult your stockbroker, accountant, solicitor or other professional adviser.

Before making any investment decision, you should have regard to all publicly available information concerning the Company.

Important notices

Regulatory information

This Prospectus is dated 9 November 2017 and was lodged with ASIC on that date. The Company will apply to ASX for quotation of the New Securities offered under this Prospectus. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus expires on the date that is 13 months after the date of this Prospectus. No securities will be allotted, issued or sold on the basis of this Prospectus after that date.

The offer being made under this Prospectus comprises of an offer of:

- New Shares and New Options to Eligible Shareholders; and
- Underwriter Options to the Underwriter or its nominees pursuant to the Underwriting Agreement.

Transaction specific Prospectus

This is a Prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) of the Company and is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. This allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the Prospectus. In general terms, 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Securities on the Company and the rights attaching to the New Securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offer.

Disclaimer

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Before deciding whether to apply for New Securities, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading this Prospectus, you have any questions about the Rights Issue, you should

contact your stockbroker, accountant, solicitor or other professional adviser.

No person is authorised to give any information or to make any representation in connection with the Rights Issue which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied upon as having been authorised by the Company, the Directors, or any other person in connection with the Rights Issue.

Neither the Company nor any other person warrants the future performance of the Company, or any return on any investment made under this Prospectus. An investment in the New Securities offered by this Prospectus should be considered speculative.

Forward-looking statements

This Prospectus includes forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in or implied by the forward-looking statements in this Prospectus.

In particular, this Prospectus details some important factors and risks that could cause the Company's actual results to differ from the forward-looking statements in this Prospectus (some of which are outlined in **section 5** of this Prospectus).

The pro-forma financial information provided in this Prospectus is for illustrative purposes only and is not represented as being indicative of the Company's view on its future financial condition and/or performance.

Prospectus availability

Shareholders with registered addresses in Australia and New Zealand can obtain a copy of this Prospectus during the Offer Period on the Company's website at www.aspiremininglimited.com or by calling the Company on (08) 9287 4555 at any time from 9.00am to 5.00pm (AWST) Monday to Friday during the Offer Period. If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic version of this Prospectus on the Company's website will not include a personalised Entitlement and Acceptance Form. You will only be entitled to accept the Rights Issue by completing and returning your personalised Entitlement and Acceptance Form, which accompanies this Prospectus, or by making a payment via BPAY® using the information provided on your personalised Entitlement and

Acceptance Form (refer to **section 3** of this Prospectus for further information).

The Corporations Act prohibits any person from passing the Entitlement and Acceptance Form onto another person unless it is attached to a hard copy of this Prospectus or a complete and unaltered electronic version of this Prospectus.

The distribution of this Prospectus (including an electronic copy) outside Australia may be restricted by law. If you come into possession of this Prospectus, you should observe any such restrictions and should seek your own advice on those restrictions. Any non-compliance with the restrictions may contravene applicable securities laws.

Foreign jurisdictions

This Prospectus has been prepared to comply with the requirements of the laws of Australia. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register the New Securities or otherwise permit an offering of New Securities in any jurisdiction outside of Australia. This Prospectus may not be distributed to any person, and the New Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Rights Issue. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

Mongolia

This Prospectus has not been registered with the Financial Regulatory Commission of Mongolia and does not constitute a public offer of securities within the territory of Mongolia. This Prospectus is only intended to be distributed and made available to less than 50 persons in Mongolia and is personal to each person to whom it has been delivered. This Prospectus may not be distributed or redistributed, published or advertised, directly or indirectly to the public or any member of the public in Mongolia. No recipient of this Prospectus may issue, distribute, circulate or disseminate this Prospectus or make or give copies of this Prospectus to any other person.

New Zealand

The New Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers)

Exemption Notice 2016.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This Prospectus and any other materials relating to the New Securities has not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other Prospectus or materials in connection with the Rights Issue, or invitation for subscription or purchase, of New Securities, circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of Shares. In the event that you are not a Shareholder, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

See **section 2.8** of this Prospectus for further details.

Nominees

Nominees and custodians may not distribute this document, and may not permit any beneficial shareholder to participate in the Offer, in any country outside Australia, New Zealand and Singapore except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the offer.

Entitlements may have value

Shareholders should be aware that their Entitlements may have value. The Rights Issue is renounceable which enables Eligible

Shareholders who do not wish to take up their Entitlement to sell or transfer all or part of their Entitlement to persons meeting certain eligibility criteria on ASX or by transferring it directly to another eligible person.

Trading Entitlements and New Securities

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

The assignment, transfer and exercise of Entitlements trading on ASX is restricted to persons meeting certain eligibility criteria. If holders of Entitlements at the end of the trading period do not meet eligibility criteria, they will not be able to exercise the Entitlements and, as a result, they will receive no value for them.

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Securities they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade New Securities in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser. Refer to **section 2.10** for more details on trading of New Securities and Entitlements.

Glossary

Terms and abbreviations used in this Prospectus are explained in the Glossary in **section 7** of this Prospectus.

Information about the Company

The information included in this Prospectus provides information about the Company's activities current as at the date of this Prospectus. It is information in a summary form and does not purport to be complete. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements including the Company's annual report for the financial year ended 30 June 2017 (lodged with ASX on 24 October 2017) and the Company's annual reports for the financial years ended 30 June 2015 and 30 June 2016 (lodged with ASX on 30 September 2015 and 25 October 2016 respectively), the Company's full financial year results for the 12 month period ended 30 June 2017 (lodged with ASX on 28 September 2017) and the announcement to the ASX on 3 November 2017

regarding the Rights Issue and the Company's other announcements to ASX available at www.asx.com.au.

Enquiries

If you have any questions in relation to the Offer, please contact your stockbroker, accountant, solicitor or other professional adviser.

If you have questions in relation to the Existing Shares upon which your Entitlement has been calculated, or how to complete the Entitlement and Acceptance Form or take up all or part of your Entitlement, please call the Share Registry on 1300 992 916 (within Australia) or +61 3 9628 2200 (outside Australia) 9.00am to 8.00pm (AEDT) Monday to Friday during the Offer Period.

Privacy

Please read the privacy statement located in **section 6.6** of this Prospectus.

It is important you understand that by submitting an Entitlement and Acceptance Form accompanying this Prospectus or by making a payment via BPAY® using the information provided on the Entitlement and Acceptance Form, you consent to the matters outlined in that privacy statement.

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Chairman's Letter

Dear Shareholder,

Aspire Mining Limited – Pro-rata Renounceable Rights Issue

On behalf of the Board of Aspire Mining Limited (**Aspire** or the **Company**), I am pleased to invite you to participate in a fully underwritten pro rata renounceable rights issue of New Shares, and attaching New Options, to raise approximately A\$16.5 million (before costs) on the terms outlined in this Prospectus.

This Rights Issue, when combined with the debt reduction arrangements agreed with the Company's major shareholder Noble, is expected to transform the Company so that it can actively pursue a near term production opportunity at its 90% owned Nuurstei Coking Coal Project whilst continuing to pursue early development options for its 100% owned Ovoot Coking Coal Project in Mongolia.

Under the capital raising, Eligible Shareholders will have the opportunity to subscribe for six (6) New Shares for every five (5) Existing Shares held at the Record Date at an issue price of A\$0.012 per New Share, with one (1) attaching New Option being issued for every four (4) New Shares for no additional consideration (the **Rights Issue**). The Rights Issue is underwritten by Patersons Securities Limited with the Company's major shareholder Noble pre-committing to take up its Entitlement in full.

The Rights Issue offers New Shares at a 37% discount to the last trading price of the Company's Shares on 27 October 2017 before the Company entered into a trading halt (being the last day on which the Company's Shares were traded on ASX before the Rights Issue was announced) and a discount of approximately 20% to a theoretical ex-rights price of \$0.0152 per Share. Provision has also been made for Eligible Shareholders to be able to trade their Entitlements under the Rights Issue. New Shares will rank equally with existing Shares in all respects from allotment, whilst New Options will constitute a new class of security.

This Prospectus contains important information about the Rights Issue and its impact on the Company, as well as the risks associated with an investment in the Company. I encourage you to read this document in its entirety, together with the accompanying Entitlement and Acceptance Form that contains details of your Entitlement.

Details of how to accept the Rights Issue and trade your Entitlements are provided on the Entitlement and Acceptance Form and in **section 3** of this Prospectus. The Directors intend to take up their Entitlements to a total of \$500,000 under the Rights Issue.

On behalf of the Board of the Company, I thank you for your continued support of our Company as we embark on this exciting transformation.

Yours faithfully,

David McSweeney
Non-Executive Chairman
Aspire Mining Limited

Key Offer Information¹

Offer Price per New Share under the Rights Issue	A\$0.012
Eligible Shareholders' Entitlement	Six (6) New Shares for every five (5) Existing Shares held on the Record Date, together with one (1) attaching New Option for every four (4) New Shares subscribed for
Rights Issue Proceeds	A\$16.53 million (before costs)
Shares on issue	1,148,128,421 Shares
Options on issue (unlisted)	187,093,450 Options
Existing Performance Rights	48,500,000 Performance Rights
New Performance Rights	229,000,000 Performance Rights ²
New Shares to be issued under the Rights Issue	1,377,754,105 New Shares
New Options to be issued under the Rights Issue	344,438,526 New Options
Number of Underwriter Options ²	344,438,526 Underwriter Options

Note:

- 1 The above figures assume that no further Shares or other securities are issued prior to the issue of New Securities under the Offer. Shareholders should note that due to rounding of Entitlements under the Rights Issue to Shareholdings on the Record Date, among other things, the exact number of New Securities to be issued will not be known until completion of the Rights Issue.
- 2 The issue of the Underwriter Options and 178.5 million of the 229 million performance rights proposed to be issued under the Company's Performance Rights Plan remains subject to the approval of Shareholders, which is to be sought at the Company's AGM scheduled to be held on 30 November 2017. If Shareholder approval is not obtained to the issue of the Underwriter Options at the Company's AGM, then the Company will issue the maximum number of Underwriter Options it is permitted to issue in accordance with ASX Listing Rule 7.1 (approximately 152 million). Refer to sections 2.6 and 6.9.

Key Dates

Prospectus lodged with ASIC	9 November 2017
Notice sent to Shareholders containing details of the Rights Issue and timetable	13 November 2017
'Ex' date	14 November 2017
Entitlement trading opens	14 November 2017
Record Date	7:00pm (AEDT) 15 November 2017
Opening Date	20 November 2017
Prospectus and Entitlement and Acceptance Forms dispatched to Eligible Shareholders	20 November 2017
Entitlement trading ends	27 November 2017
Annual General Meeting	2.00pm (AWST) 30 November 2017
Closing Date for acceptance and payment	5:00pm (AEDT) 4 December 2017
Notification of under-subscriptions	5 December 2017
Issue and allotment of New Securities	11 December 2017
Commencement of trading of New Securities	13 December 2017

Note: All dates (other than the date of lodgement of the Prospectus with ASIC) are indicative only. The Company reserves the right, subject to agreement with the Underwriter, the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Offer, including extending the Closing Date or accepting late Applications, either generally or in particular cases, without notice.

1 Investment Overview

This information is a selective overview only.

Prospective investors should read the Prospectus in full before deciding whether to invest in New Securities.

1.1 Offers under this Prospectus

What is being offered?	This Prospectus contains a number of offers of Securities, namely: • the offers made pursuant to the Rights Issue of New Shares and New Options; and • an offer of Underwriter Options to the Underwriter and its nominees on the same terms as the New Options.	Section 2
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1.2 The Rights Issue

What is the Rights Issue?	The Rights Issue is a pro-rata renounceable offer made to Eligible Shareholders to subscribe for New Shares and New Options.	Section 2
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What is my Entitlement?	Each Eligible Shareholder is entitled to subscribe for six (6) New Shares for every five (5) Existing Shares held on the Record Date, at the Offer Price of A\$0.012 per New Share. Eligible Shareholders who subscribe for New Shares under the Rights Issue will be issued with one (1) attaching New Option for every four (4) New Shares subscribed for under the Rights Issue, subject to the terms of this Prospectus. Each New Option will entitle the holder to acquire one Share by paying an exercise price of A\$0.018, and are exercisable at any time prior to the date that is 24 months after their issue.	Entitlement and Acceptance Form
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What is the Offer Price?	The Offer Price for New Shares subscribed for under the Rights Issue is A\$0.012 per New Share. No additional consideration is payable in relation to any New Options that may be issued to you as a result of subscribing for New Shares pursuant to the Rights Issue. Further amounts will, however, be payable to exercise New Options.	Section 2.3
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Am I an Eligible Shareholder and able to participate in the Rights Issue?	Eligible Shareholders are those persons who: • are registered as a holder of Shares as at 7.00pm (AEDT) on the Record Date; and • have a registered address in Australia, New Zealand, Hong Kong, Mongolia, or Singapore, or are, in the opinion of the Company, otherwise eligible under all applicable securities laws to receive an offer of New Securities under the Rights Issue; and • are not in the United States and are subscribing for the New Shares in an 'offshore transaction' (as defined in Rule 902(h) of the US Securities Act).	Sections 2.7 and 2.8
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Can I trade my Entitlement?	Yes. If you decide not to take up all or part of your Entitlement, you should consider whether to sell or transfer all or part of your Entitlement. Entitlements under the Rights Issue are tradeable and can be sold or transferred. They are expected to be quoted and tradeable on ASX from 14 November 2017 to 27 November 2017. You may sell or transfer your Entitlement (which you do not wish to take up) in order to realise value which may attach to those Entitlements if sold at that time. If you wish to sell or transfer all or part of your Entitlement on ASX, you should instruct your stockbroker and provide details as requested from your personalised Entitlement and Acceptance Form. You should allow sufficient time for your instructions to be carried out by your stockbroker.	Sections 2.10 and 3.4
How much will be raised from the Rights Issue?	The Rights Issue will raise approximately A\$16.5 million (before costs). If New Options and Underwriter Options are exercised, the Company could raise up to an additional A\$12.4 million.	Sections 4.2 and 4.3
What is the purpose of the Rights Issue and how will the funds raised be used?	The Rights Issue is being undertaken to: - raise funds to expedite the development of the Company's 90% owned Nuurstei Project; and - prepay A\$3.75 million of the amount outstanding under the Noble Facility, as part of a series of transactions which are expected to reduce the total amount owing under the Noble Facility to US\$1.8 million.	Sections 4.2 and 4.3
Is the Rights Issue underwritten?	Yes, the Rights Issue is fully underwritten by Patersons Securities Limited (Patersons). Patersons has entered into sub-underwriting arrangements in relation to the entire amount of New Shares and New Options to be issued under the Rights Issue. As part of the sub-underwriting arrangements, Noble has agreed to commit to subscribe for the full amount of its Entitlement (approximately A\$2.97 million) and to sub-underwrite any Shortfall up to a further amount of approximately A\$593,000 on a priority basis (which would take Noble's voting power in the Company to 19.9% on an undiluted basis). The Underwriting Agreement with Patersons is subject to a number of termination events which are considered to be customary for an underwriting agreement with a professional underwriter. These termination events include an ability for Patersons to terminate the Underwriting Agreement if any of the All Ordinaries Index or the Standard and Poors / ASX Small Resources Index is at any time after the date of the Underwriting Agreement during three consecutive days at a level that is 10.0% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement, or if the Company's Shares finish trading on the ASX on any Business Day with a closing price that is less than the Offer Price.	Section 2.6
What will be the effect of the Rights Issue on the control of the Company?	Having regard to the sub-underwriting arrangement entered into by Patersons with a large number of non-associated sub-underwriters (refer to section 2.6) the underwriting arrangements are not expected to give rise to any control implications for the Company. In this regard, the arrangements with Noble are such that Noble's voting power in the Company will not exceed 19.9% as a result of its	Sections 2.6 and 4.4

participation in, and sub-underwriting a portion of any Shortfall to, the Rights Issue. As at the date of this Prospectus, Noble has voting power to approximately 17.94% of the Company's issued share capital.

What is the current status of the Company's debt facilities with Noble?

The Company has entered into a binding term sheet with Noble whereby the existing US\$6.65 million debt owing under the Noble Facility is to be reduced to US\$1.8 million through a series of transactions involving:

- Noble's agreed participation and sub-underwriting of the Rights Issue;
- Noble agreeing to acquire an additional 10% equity interest in Northern Mongolian Railways Limited (**NMRL**) from Aspire – NMRL's subsidiary, Northern Railways LLC, is the holder of the Concession Agreement with the Government of Mongolia to build and operate the Erdenet to Ovoot Railway in Mongolia; and
- Noble agreeing to acquire further equity in NMRL so as to maintain a 15% equity interest in that company (in the event that Gezhouba was to acquire a 51% interest in NMRL) or otherwise accept a prepayment of up to US\$1 million in Shares (to be issued at a 5% discount to the 30 day VWAP).

Under that binding term sheet, the balance of US\$1.8 million owing under the Noble Facility is to be repaid in instalments, with the first instalment of US\$600,000 to be paid 6 months after the commencement of commercial production from the Nuurstei Project but on the basis that all outstanding amounts will be repaid by no later than 17 August 2019.

Section 4.2

What are the terms of the Underwriter Options?

The Company has agreed to issue the Underwriter with 344,438,526 Underwriter Options as part consideration for underwriting the Rights Issue. The offer and subsequent issue of the Underwriter Options is subject to the approval of Shareholders at the Company's 2017 AGM. The offer of the Underwriter Options is being made under this Prospectus so as to ensure that those Underwriter Options are not subject to any trading restrictions at the time that they are issued.

If approval is not obtained from Shareholders to the issue of the Underwriter Options at the Company's 2017 AGM, the Company has agreed to issue the Underwriter with the maximum number of Options that is within the Company's Listing Rule 7.1 capacity, and to make a cash payment in lieu of the balance of these Underwriter Options that the Company is unable to issue.

Only the Underwriter or its nominees may subscribe for Underwriter Options under this Prospectus. A separate application form for Underwriter Options will be provided by the Company to the Underwriter and its nominees for the purposes of applying for the Underwriter Options.

Section 2.6

What are the key risks of a subscription under the Rights Issue?

New Securities offered pursuant to this Prospectus should be considered a speculative investment. An investment in the Company has risks that you should carefully consider before making a decision to invest. Such risks include:

- **Risks of investing in an emerging market:** Mongolia is a young democratic country which is transitioning to a market economy. As such, there are significant risks associated with operating in Mongolia, including potential changes to the business and regulatory environment in Mongolia, which may materially adversely impact the Company's ownership of assets and its future operations;

Section 5

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- **Exploration and development risks:** Mineral exploration and development are high-risk undertakings. The ongoing operations of the Company may be affected by exploration, operation and technical issues which may affect the ability of the Company to achieve commercial viability through the successful exploration and/or mining of its mineral interests. Further, the development of the Nuurstei Project will require the construction of a wash plant and other capital items, and there are risks associated with the funding, construction and commissioning of such items;
 - **Infrastructure:** There are significant risks associated with the access to and development of infrastructure in Mongolia to support the Company's proposed mining operations. In particular, the development of the Company's Ovoot Project is likely to depend upon the construction of the Erdenet to Ovoot railway, a project that requires a significant capital investment;
 - **Title risks:** The Company's mining licences are subject to numerous conditions. There are risks that the Company will not be able to keep the licences in good standing and would therefore have to forfeit licences. There is also a risk that the Company will not be granted licence renewals or granted further licences which will be required for mining operations in Mongolia. Further, there is also a risk that the conditions precedent to the Concession Agreement entered into between the Company's subsidiary Northern Railways LLC and the Government of Mongolia may not be satisfied by August 2018 (in circumstances where the time period for satisfying such conditions precedent are not extended) such that the Concession Agreement may lapse. In these circumstances, there would be uncertainty regarding the future development of the Erdenet to Ovoot railway, thereby negatively impacting on the potential development of the Company's Ovoot Project.
 - **Geo Political Risks;** Risks in maintaining access to markets within China and Russia, given that Mongolia is a land locked country bordering these two countries.
 - **Commodity price and exchange rate risks:** The potential revenue derived from the sale of commodities exposes the Company to commodity price risk and exchange rate risks when seeking to fund the development of its projects. Whilst the Company will investigate various options to fund the development of its Nuurstei Project (including coal pre-sales, contractor funding and through the potential exercise of the Options that will be on issue post-completion of the Rights Issue), there is a risk that the Company will need to raise further funds to finance the development of its projects.
 - **Risks relating to equity investments and financial markets:** Investing in an ASX listed entity exposes an investor to a range of risks, including those related to economic conditions, investor sentiment, changes in monetary and government policy and political conditions. Each of these factors may have an adverse impact on the price of New Shares and New Options.
 - **Risks associated with the Rights Issue:** There are certain risks associated with participating or not participating in the Rights Issue, including dilution for those who do not participate. There is also no guarantee that the value of the New Securities issued under the Rights Issue will increase.

The above risk factors are not an exhaustive list. You should carefully consider these risks (including the more detailed disclosure on risk factors associated with an investment in the Company set out in section 5) as well as the information contained in other sections of this

Prospectus before deciding whether or not to apply for New Securities.

What key financial information do I need to be aware of?

The unaudited pro forma statement of financial position of the Company set out in **section 4.3** of this Prospectus shows the audited financial position of the Company at 30 June 2017 and an unaudited pro forma position of the Company as at 30 September 2017, adjusted to reflect, amongst other things, the issue of New Securities under, and the funds raised (after costs) from, the Offer.

Net assets will increase by approximately A\$16.5 million following receipt of the Rights Issue Proceeds (before costs).

For more information generally on the Company, see **section 4** of this Prospectus or see the Company's announcements, including its most recent financial statements and annual report available at www.asx.com.au.

Sections 4.2 and 4.3

What are the tax implications of participating in the Rights Issue?

Taxation implications will vary depending upon the specific circumstances of individual Shareholders. Investors should obtain their own professional advice as to the particular taxation treatment which will apply to them.

Section 6.11

1.3 Actions for Eligible Shareholders

How do Eligible Shareholders find out what their Entitlements are?

Your Entitlement is set out on the personalised Entitlement and Acceptance Form accompanying this Prospectus.

Entitlement and Acceptance Form

What can I do with my Entitlement?

You can do the following:

- take up all or part of your Entitlement;
- sell or transfer all or part of your Entitlement; or
- do nothing, in which case your Entitlement will lapse.

Section 3.2

What happens if I do not take up my Entitlement, or take up only part of my Entitlement?

If you do not take up all of your Entitlement by the Closing Date, then New Shares representing the number of New Shares not taken up under your Entitlement will form part of the Shortfall. This will result in your interest in the Company being diluted.

Section 3.5

How do I accept the Rights Issue?

If you wish to take up all or part of your Entitlement, you must either:

- complete and return the personalised Entitlement and Acceptance Form to the Share Registry together with a cheque, bank draft or money order for the full Application Monies so that it is received by the Share Registry by no later than 5.00pm (AEDT) on the Closing Date; or
- pay the full Application Monies via BPAY® by no later than 5.00pm (AEDT) on the Closing Date.

Section 3.6

1.4 Further information

If you have any questions about the Rights Issue that are not answered in this Prospectus, you should consult your broker, accountant, solicitor or other

professional adviser before deciding to invest. You can also call the Company on (08) 9287 4555 at any time from 9.00am to 5.00pm (AWST) Monday to Friday during the Offer Period or the Share Registry on 1300 992 916 (within Australia) or +61 3 9628 2200 (outside Australia) at any time from 9.00am to 8.00pm (AEDT) Monday to Friday during the Offer Period.

2 Details of the Rights Issue

2.1 Transforming Aspire

The Rights Issue forms part of a series of transactions aimed at transforming Aspire so that it can actively pursue a near term production opportunity at the 90% owned Nuurstei Coking Coal Project whilst continuing to pursue early development options for the Ovoot Coking Coal Project.

The Rights Issue is being undertaken primarily to raise additional capital to enable Aspire to expedite development of its 90% owned Nuurstei Project and to pay down amounts outstanding to Noble under the Noble Facility.

The close proximity of the Nuurstei Project to existing infrastructure (town, road, rail and services) provides Aspire with the opportunity to assess the economics of a road-based operation for the Nuurstei Project prior to the proposed construction of the Erdenet to Ovoot Railway as part of China's proposed 'One Belt, One Road' project.

Subject to the successful completion of the Rights Issue, Aspire proposes to conduct a A\$2 million drilling and exploration program that is targeted at increasing the existing mineral resources at the Nuurstei Project (including seeking to convert Inferred Mineral Resources to Indicated Mineral Resources categories) and establishing an ore reserve at that project. Aspire plans to complete a new resource model for the Nuurstei Project during the first calendar quarter of 2018 following completion of this drilling project.

It is proposed that this new resource model will then feed into the feasibility study process for the Nuurstei Project, the end objective of which is to confirm that an economically viable mining operation can commence within an estimated 18 month period.

The ability to achieve this is dependent on the analysis of the results of the planned drilling program, future positive economic studies, the grant of necessary approvals and licences, and any further required funding in addition to (but not limited to) that provided by other possible sources (such as coal pre-sales, contractor funding and through the potential exercise of the New Options that will be on issue post-completion of the Rights Issue). For these reasons, the Company provides no guarantee regarding the ability to produce coking coal from the Nuurstei Project within the targeted 18 month period.

In addition to the Rights Issue, Aspire has recently entered into a binding Memorandum of Understanding (**MOU**) with China Gezhouba Group International Company Limited (**Gezhouba**) to advance the Erdenet to Ovoot Railway as part of the Northern Rail Corridor in Mongolia. As mentioned above, the Erdenet to Ovoot Railway forms part of China's proposed 'One Belt, One Road' project.

Under the MOU, Gezhouba has agreed to complete the second and final stage of the Rail Bankable Feasibility Study in relation to the Erdenet to Ovoot Railway project by 31 March 2018, in return for the Company's subsidiary Northern Railways agreeing to explore with China Railways Construction Bureau 20

Group (**CR20G**) the potential for Gezhouba to jointly work on the design, procurement and construction of the project. Gezhouba has already commenced the work required to progress completion of this Rail Bankable Feasibility Study.

The MOU with Gezhouba also sets out a pathway for the development of the Erdenet to Ovoot Railway project as well as the potential extension of that project from Ovoot through to the Mongolian/Russian border. To this end, Gezhouba has expressed a willingness, on a best efforts basis, to:

- assist Northern Railways to seek investors to fund the Northern Rail Corridor, as well as support Northern Railways efforts to extend the Northern Rail Corridor to eventually connect to Russia at the Arts Suuri border; and
- assist Aspire source investment to fund the development of the Ovoot Project.

The development of the Erdenet to Ovoot Railway is necessary to enable the Company to unlock the value associated with its Ovoot Project.

The MOU also provides the framework by which Gezhouba is able to acquire a 51% equity interest in Northern Railways. To acquire this equity interest, it is anticipated that Gezhouba will commit to provide funding to complete the outstanding conditions precedent in relation to the Concession Agreement for the Erdenet to Ovoot Railway project and for EPC funding. A decision by Gezhouba as to whether this funding will be provided is expected to be made on or before 15 February 2018.

Aspire has also entered into arrangements with Noble to reduce amounts outstanding under the Noble Facility from US\$6.65 million to US\$1.8 million, with the balance to be paid in instalments so that the facility is fully repaid by August 2019 (see **section 4.2** for further details).

2.2 Use of funds raised from the Rights Issue

A breakdown of the proposed use of the Rights Issue Proceeds is set out in the table below.

Use of funds	A\$	% of Rights Issue Proceeds
Exploration and evaluation of the Nuurstei Project	\$10.0 million	60%
Noble Facility prepayment	\$3.75 million	23%
Expenses of the Offer	\$1.23 million	8%
Working capital ¹	\$1.55 million	9%

Use of funds	A\$	% of Rights Issue Proceeds
Total	\$16.53m	100.0%

1 Working capital includes committed exploration, ongoing corporate, administrative and legal costs, staff and director remuneration, ASX and share registry fees, audit fees, interest and insurance costs to 30 September 2018.

The above is a statement of the Board's current intention as at the date of this Prospectus. Shareholders should note that, as with any budget and forecast, the allocation of funds set out in the above table and the use of the funds within any given timeframe may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

Shareholders should be aware that the Company may require further funding in the future and should refer to the risk factors in **section 5** of this Prospectus for a further discussion of the Company's future capital requirements.

2.3 Structure of Rights Issue

Under the Rights Issue, 1,377,754,105 New Shares are being offered to Eligible Shareholders at an Offer Price of A\$0.012 per New Share.

Each Eligible Shareholder has the opportunity to subscribe for six (6) New Shares for every five (5) Existing Shares held on the Record Date, together with one (1) attaching New Option for every four (4) New Shares subscribed for no additional consideration. The Rights Issue is intended to raise up to approximately A\$16.5 million (before costs).

Due to rounding of Entitlements under the Rights Issue to Shareholdings on the Record Date, among other things, the exact number of New Securities to be issued will not be known until completion of the Rights Issue.

The Offer Price represents a 37% discount to the last trading price of the Shares on 27 October 2017 before the Company entered into a trading halt (being the last day on which the Company's Shares were traded on ASX before the Rights Issue was announced) and a 37% discount to the 30 day VWAP of Shares up to and including 27 October 2017.

Eligible Shareholders are being sent this Prospectus together with a personalised Entitlement and Acceptance Form and are invited to apply for New Shares and New Options. The Rights Issue opens on 20 November 2017 and is scheduled to close at 5.00pm (AEDT) on 4 December 2017.

2.4 Additional New Securities and Shortfall

New Shares and New Options not validly applied for by Eligible Shareholders under their Entitlement, together with any New Shares and New Options that would have been offered to Ineligible Shareholders under the Rights Issue if they had been entitled to participate in the Rights Issue, will form the Shortfall.

Patersons has agreed to underwrite the Shortfall. For more detail on the

underwriting arrangements, refer to **section 2.6** below.

As agreed with the Underwriter, Eligible Shareholders may apply for New Shares (and attaching New Options) in excess of their Entitlement by completing the relevant section of their Entitlement and Acceptance Form sent with the Prospectus or via BPAY® payment in accordance with the instructions in **section 3.6** and on the Entitlement and Acceptance Form. Payment for any New Shares (and attaching New Options) which is in excess of your Entitlement must be made in the same manner as described in **section 3** of the Prospectus. There is no maximum cap on the number of New Shares (and attaching New Options) for which an Eligible Shareholder may apply for that is in excess of their Entitlement.

Any New Shares (and attaching New Options) which are in excess of a Shareholder's Entitlement will be limited to the extent that there are sufficient New Shares (attaching New Options) from Eligible Shareholders who do not take up their full Entitlements (i.e. that form part of the Shortfall) or from New Shares (and attaching New Options) that would have been offered to Ineligible Shareholders if they had been entitled to participate in the Rights Issue, as well as to the extent that the Underwriter has not otherwise placed such Shortfall to sub-underwriters.

The right to receive New Shares (and attaching New Options) which are in excess of a Shareholder's Entitlement will be determined by the Underwriter in its sole discretion. Eligible Shareholders who subscribe for New Shares (and attaching New Options) which are in excess of their Entitlement may not be issued any or all of those excess New Shares (and attaching New Options) applied for. The Underwriter's decision on the allocation of the Shortfall will be final.

The offer of New Shares (and attaching New Options) that form part of the Shortfall is, to the extent it is made in Australia, made under this Prospectus. To the extent this offer of New Shares (and attaching New Options) under this Rights Issue is made outside Australia, the offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so.

2.5 No minimum subscription

There is no minimum subscription for the Rights Issue.

2.6 Underwriting

The issue of New Shares and New Options under the Rights Issue is fully underwritten by Patersons on the terms set out in this section.

The Company's major shareholder, Noble, has separately committed to subscribe for its full Entitlement under the Rights Issue (being an amount of approximately A\$2.97 million), and has also agreed with the Underwriter to sub-underwrite a portion of any Shortfall on a priority basis so as to take Noble's voting power in the Company to not more than 19.9% (being a further amount of A\$592,934 of the total amount sought to be raised by the Rights Issue). These

arrangements are set out in more detail below. For information on the control implications of the Rights Issue, refer to **section 4.4**.

(a) Underwriting Agreement

The Company has entered into an underwriting agreement with Patersons (**Underwriting Agreement**) whereby Patersons has agreed to underwrite subscriptions for New Securities under any Shortfall up to a maximum of 1,377,754,105 New Shares (being the total amount sought to be raised under the Rights Issue) and 344,438,526 New Options that are to be issued in relation to these New Shares in accordance with the terms of the Rights Issue. Any issue of New Shares and New Options to Patersons under the Underwriting Agreement is made under this Prospectus.

Fees

The Company must pay Patersons an underwriting fee of approximately A\$718,650 plus an additional corporate advisory fee of A\$150,000 and a lead managers fee of A\$165,300. In addition to these fees, the Company will also pay the reasonable costs and expenses of the Underwriter incidental to the Offer. These costs and expenses include advertising and marketing costs, legal expenses and accommodation and travelling expenses relating to the Offer.

The Company has also agreed to grant Underwriter Options to the Underwriter as consideration for its underwriting obligations under the Underwriting Agreement, subject to the approval of Shareholders being obtained to the proposed issue of those Underwriter Options. The aggregate number of Underwriter Options proposed to be issued to the Underwriter is 344,438,526, being equal to one Option for every four New Shares of underwriting committed by the Underwriter. The Company has agreed to issue the Underwriter Options upon New Shares being allotted under the Rights Issue, subject always to Shareholders approving the issue of those Options pursuant to Listing Rule 7.1.

The offer of Underwriter Options is being made under this Prospectus so as to ensure that those Underwriter Options are not subject to any trading restrictions at the time that they are issued. Only the Underwriter or its nominees may subscribe for Underwriter Options under this Prospectus. A separate application form for Underwriter Options will be provided by the Company to the Underwriter and its nominees for the purposes of applying for Underwriter Options. By completing an application form for Underwriter Options, applicants will be taken to have declared that they have been provided with a complete and unaltered copy of this Prospectus.

In the event that Shareholders do not approve the grant of the Underwriter Options, the Company has agreed to issue that number of Options which it is permitted to issue without the prior approval of Shareholders in accordance with Listing Rule 7.1, and pay the Underwriter a cash amount (in lieu of the obligation to issue the balance of the Underwriter Options) for each Option that would otherwise have been issued to the Underwriter but for the application of Listing Rule 7.1 that is equal to the VWAP of a New Option over the first 5 trading days on which New Options are traded on ASX.

The Company will also pay the Underwriter 1% (plus GST) of the value of the Entitlements sold on behalf of Ineligible Shareholders, as set out in section 2.8.

Moratoriums

In connection with the underwriting arrangements, the Company has agreed to certain moratoriums customary for an underwriting of this kind. The Company has agreed that, for a period of 3 months from the date of the Underwriting Agreement, the Company and its subsidiaries will:

- not take certain actions, including: the alteration of its capital structure, the amendment of its Constitution, the passing of a resolution under section 260A of the Corporations Act, the disposal of or change of a substantial part of its business or property, or the amendment to any of its debt arrangements;
- not issue any further securities, other than: the shares to be issued as announced to the ASX prior to this Prospectus, the shares to be issued under this Prospectus, or shares to be issued pursuant to Options on issue at the date of this Prospectus; and
- use its best endeavours to ensure that no current or proposed director of the Company or its respective associates will sell, dispose or transfer any securities in the Company held by them as at the date of this Prospectus.

Representations and warranties

The Company has agreed to give representations and warranties customary for an underwriting of this kind, including warranties regarding:

- the compliance of this Prospectus with Corporations Act requirements;
- the Company's general compliance with law;
- the accuracy of the due diligence results and verification process; and
- matters relating to the Company's assets and liabilities, financial position and performance, profits and losses and prospects.

Patersons has agreed to give representations and warranties customary for an underwriting of this kind, including a warranty that it has the power to perform its obligations under the Underwriting Agreement, which includes underwriting the Rights Issue.

Termination events:

Patersons may, by notice in writing to the Company, upon or at any time prior to the date of allotment of the last of the New Securities, terminate its obligations under the Underwriting Agreement if:

- any of the All Ordinaries Index or the Standard and Poors /ASX Small Resources Index as published by ASX is at any time after the date of the Underwriting Agreement during three consecutive days at a level that is 10.0% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;

- the Shares of the Company finish trading on the ASX under the ASX code of “AKM”, on any Business Day with a closing price that is less than \$0.012 (being the Offer Price);
- the Company does not lodge this Prospectus on the date agreed between the Company and the Underwriter or this Prospectus or the Offer is withdrawn by the Company;
- the addendum to the Notice of AGM to consider the issue of the Underwriter Options is not been dispatched to shareholders by the day that subscriptions lists for the Offer close;
- Official Quotation has not been granted by the date on which the Company must give the Underwriter written notice of the underwritten securities for which no applications have been received or, the Official Quotation having been granted, is subsequently withdrawn, withheld or qualified;
- Patersons forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as Patersons may reasonably require;
- the Company lodges a supplementary or replacement prospectus without the prior written agreement of Patersons;
- it transpires that this Prospectus does not contain all of the information required by the Corporations Act;
- it transpires that there is a statement in this Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from this Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in this Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of this Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- the Company is prevented from allotting the New Securities within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction, by ASIC, ASX or any governmental or semi-governmental agency or authority;
- any person (other than Patersons) who has previously consented to the inclusion of its, his or her name in this Prospectus or to be named in this Prospectus, withdraws that consent;
- an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to this Prospectus and that application has not been dismissed or withdrawn by the date on which the Company must give the Underwriter notice of the Shortfall accompanied by a certificate;

- ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to this Prospectus to determine if it should make a stop order in relation to this Prospectus or the ASIC makes an interim or final stop order in relation to this Prospectus under section 739 or any other provision of the Corporations Act;
- the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act;
- any authorisation which is material to anything referred to in this Prospectus is repealed, revoked, terminated or expires, or is modified or amended in a manner unacceptable to Patersons acting reasonably;
- a director or senior manager of the Company is charged with an indictable offence;
- subject always to the materiality limitations expressed below, any of the following events occur:
 - any of the Company's material contracts, or contracts described in this Prospectus including the Noble Terms Sheet, is breached, not complied with according to its terms, terminated or repudiated or substantially modified other than as disclosed in this Prospectus;
 - default or breach by the Company of any term, condition, covenant or undertaking in the Underwriting Agreement;
 - any representation, warranty or undertaking given by the Company in the Underwriting Agreement becomes untrue or incorrect;
 - a contravention by the Company of any provision of the Constitution, the Corporations Act, the Listing Rules, or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company including, without limitation, if any forecast in this Prospectus becomes incapable of being achieved or in Patersons' reasonable opinion, unlikely to be met in the projected time;
 - it transpires that any of the results of the Company's due diligence investigations or any part of the materials verified by the Company in the preparation of this Prospectus were false, misleading or deceptive or that there was an omission from them;
 - a "new circumstance" as referred to in section 719(1) of the

Corporations Act arises that is materially adverse from the point of view of an investor;

- without the prior approval of Patersons, a public statement is made by the Company in relation to the Offer, the Rights Issue or this Prospectus;
- any information supplied at any time by the Company or any person on the Company's behalf to Patersons in respect of any aspect of the Offer, the Rights Issue, or the affairs of the Company prior to the date on which allotment of the last New Securities occurs, is or becomes misleading or deceptive or likely to mislead or deceive;
- the Official Quotation is qualified or conditional other than as set out in the Underwriting Agreement;
- there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- any of the following events occurs:
 - an Aspire Group company converting all or any of its shares into a larger or smaller number of shares;
 - an Aspire Group company resolving to reduce its share capital in any way;
 - an Aspire Group company:
 - entering into a buy-back agreement or;
 - resolving to approve the terms of a buy-back agreement under section 257C or 257D of the Corporations Act;
 - an Aspire Group company making an issue of, or granting an option to subscribe for, any of its shares, or agreeing to make such an issue or grant such an option, other than an issue or agreement to issue in accordance with the Offer or the terms of the Underwriting Agreement;
 - an Aspire Group company issuing, or agreeing to issue, convertible notes;
 - an Aspire Group company disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
 - an Aspire Group company charging, agreeing to charge, the whole, or a substantial part, of its business or property;

- an Aspire Group company resolving that it be wound up;
- the appointment of a liquidator or provisional liquidator to an Aspire Group company;
- the making of an order by a court for the winding up of an Aspire Group company;
- an administrator of the Company, being appointed under section 436A, 436B or 436C of the Corporations Act;
- an Aspire Group company executing a deed of company arrangement; or
- the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of an Aspire Group company;
- the Company suspends payment of its debts generally;
- an event of insolvency occurs;
- a judgment in an amount exceeding A\$150,000 is obtained against the Company and is not set aside or satisfied within 7 days;
- litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against the Company, other than any claims foreshadowed in the Prospectus;
- other than as disclosed by this Prospectus, there is a change in the composition of the Board or a change in the senior management of the Company before Completion without the prior written consent of Patersons;
- there is a material change in the major or controlling Shareholders or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publically announced in relation to the Company;
- there is a delay in any specified date in timetable for the Offer agreed between Patersons and the Company, which is greater than five (5) Business Days;
- a force majeure, being any act of God, war, revolution, or any other unlawful act against public order or authority, an industrial dispute, a governmental restraint, or any other event which is not within the control of the parties, affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- the Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend the Constitution without the prior written consent of Patersons;

- the Company alters its capital structure in any manner not contemplated by this Prospectus;
- any person is appointed under any legislation in respect of companies to investigate the affairs of the Company;
- a suspension or material limitation in trading generally on ASX occurs or any material adverse disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America; or
- there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Mongolia, the United Kingdom, the United States of America, the Peoples Republic of China, or any member of the European Union or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world.

In relation to the above events, Patersons may not exercise any its rights detailed above to terminate the Underwriting Agreement, unless in the reasonable opinion of Patersons, reached in good faith, the occurrence of a termination event has or is likely to have, or two or more termination events together have or are likely to have:

- (a) a material adverse effect on the outcome of the Rights Issue or the subsequent market for the New Securities;
- (b) a material adverse effect on the assets, condition, trading or financial position, performance, profits and losses, results, prospects, business or operations or tax position of the Company or its subsidiaries either individually or taken as a whole; or
- (c) would reasonably be expected to give rise to a material liability of Patersons under the Corporations Act, or would otherwise result in the obligations of the Underwriter becoming materially more onerous than those that exist at the date the Underwriting Agreement was entered into.

Sub-underwriting arrangements

The Underwriter has obtained sub-underwriting commitments from a number of sub-underwriters. Sub-underwriters do not have any direct contractual relationship with the Company and do not have the ability to terminate the underwriting of the Offer.

Consequences of termination

If Patersons is entitled to, and does, terminate the Underwriting Agreement, the Company reserves the right to continue with the Rights Issue and the right to

place any Shortfall at their discretion in accordance with the Corporations Act and the ASX Listing Rules.

(b) Noble commitment to participate in Rights Issue

Noble has provided the Company with a binding commitment to apply for its Entitlement under the Rights Issue in full (being 247,221,503 New Shares and 61,805,376 New Options), subject to the Company successfully completing a minimum capital raising of not less than \$9 million (the successful completion of the Rights Issue is expected to satisfy this condition). The Company will apply the total amount received from Noble in relation to its subscription of these New Shares and New Options under the Rights Issue to prepay amounts outstanding under the Noble Facility.

In addition to committing to take up its Entitlement in full, Noble has entered into sub-underwriting arrangements with the Underwriter under which Noble will sub-underwrite any Shortfall on a priority basis up to a maximum of 49,411,201 New Shares (or A\$592,934) so as to ensure that Noble's voting power in the Company does not exceed 19.9% as a result of subscribing for New Shares under the Rights Issue.

Noble will not receive an underwriting fee for committing to take up its Entitlements in full and sub-underwriting a portion of any Shortfall, nor will it be issued any Underwriter Options. Noble may only terminate its obligation to sub-underwrite a portion of any Shortfall if Patersons terminate the Underwriting Agreement.

2.7 Eligible Shareholders

Eligible Shareholders are those persons who:

- are registered as a holder of Shares as at 7.00pm (AEDT) on the Record Date; and
- have a registered address in Australia, New Zealand, Hong Kong, Mongolia or Singapore or are, in the opinion of the Company, otherwise eligible under all applicable securities laws to receive an offer of New Shares under the Rights Issue; and
- are not in the United States and are subscribing for the New Shares in an 'offshore transaction' (as defined in Rule 902(h) of the US Securities Act).

2.8 Treatment of Foreign Shareholders

This Prospectus and the accompanying Entitlement and Acceptance Form does not constitute an offer of New Securities in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer.

Return of a duly completed Entitlement and Acceptance Form or BPAY® payment will be taken by the Company to constitute a representation by the Applicant that there has been no breach of applicable securities laws.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and anyone who receives this Prospectus should seek advice

on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the New Securities or the Rights Issue, or otherwise permit a public offering of New Shares or New Options, in any jurisdiction outside Australia. New Securities may not be offered or sold in any country outside Australia except to the extent permitted below.

It is the responsibility of any Applicant to ensure compliance with any laws of the country relevant to their Application. Return of a duly completed Entitlement and Acceptance Form and/or payment of Application Monies will be taken by the Company to constitute a representation that there has been no breach of such laws and that the Applicant is physically present in Australia, New Zealand, Hong Kong, Mongolia and Singapore.

For further information refer to the Important Notices 'Foreign Jurisdictions' section on page 3 of this Prospectus.

Nominees

Nominees and custodians may not distribute this document, and may not permit any beneficial shareholder to participate in the Rights Issue, in any country outside Australia, New Zealand and Singapore except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Rights Issue.

Ineligible Shareholders

Shareholders who are not Eligible Shareholders are **Ineligible Shareholders**.

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Rights Issue to Ineligible Shareholders, having regard to the:

- small number of Ineligible Shareholders;
- small number and value of the New Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, the Rights Issue is not being extended to any Shareholders outside Australia, New Zealand, Hong Kong, Mongolia and Singapore unless, in the opinion of the Company, that Shareholder would be eligible under all applicable securities laws to receive an offer of New Shares under the Rights Issue.

The Company will notify all Ineligible Shareholders of the Rights Issue and advise that the Company is not extending the Rights Issue to those Shareholders.

The Company has appointed the Underwriter as its nominee to sell the Entitlements of Ineligible Shareholders. The Underwriter intends to sell the Entitlements of Ineligible Shareholders on ASX during the Entitlements trading period. The Company will pay the Underwriter a fee of 1% (plus GST) of the value of the Entitlements sold. The proceeds of such sale will be paid to Ineligible Shareholders, in proportion to their share of such Entitlements, (net of brokerage

commission and other expenses), as soon as practicable following completion of the Offer. Payment will be made to the Ineligible Shareholders nominated bank account (being any nominated account noted on the Company's share register in respect to that holding) or by cheque.

The nominee will have the absolute and sole discretion to determine the timing and the price at which the Entitlements may be sold and the manner of any such sale. Neither the Company nor the nominee will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price.

If, in the reasonable opinion of the nominee, there is not a viable market for the Entitlements or a surplus over the expenses of sale cannot be obtained for the Entitlements that would have been offered to the Ineligible Shareholders, then the Entitlements will be allowed to lapse and they will form part of the Shortfall.

2.9 No cooling off rights

Cooling off rights do not apply to an investment in New Securities under the Rights Issue. You cannot withdraw your Application or payment once it has been accepted unless permitted to do so in accordance with the Corporations Act.

2.10 Trading of Entitlements

If you decide not to take up all or part of your Entitlement, you should consider whether to sell or transfer all or part of your Entitlement.

Entitlements under the Rights Issue are tradeable and can be sold or transferred. They are expected to be quoted and tradeable on ASX from 14 November 2017 to 27 November 2017. You may sell or transfer your Entitlement (which you do not wish to take up) in order to realise value which may attach to those Entitlements if sold at that time.

There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact the ability to sell Entitlements on ASX and the price able to be achieved.

Prices obtainable for Entitlements may rise and fall over the Entitlements trading period and will depend on many factors including the demand for and supply of Entitlements on ASX and the value of existing Shares relative to the Offer Price. If you sell your Entitlement, you may receive a higher or lower amount than a Shareholder who sells their Entitlement at a different time in the Entitlement trading period.

If you sell or transfer your Entitlement, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up that Entitlement. Your percentage Shareholding in the Company will also be diluted.

It is your responsibility to determine your holding of Entitlements before trading to avoid the risk of selling Entitlements you do not own.

You should check your holding by asking your broker or calling the Company on (08) 9287 4555 at any time from 9.00am to 5.00pm (AWST) Monday to Friday during the Offer Period or the Share Registry on 1300 992 916 (within Australia)

or +61 3 9628 2200 (outside Australia) at any time from 9.00am to 8.00pm (AEDT) Monday to Friday during the Offer Period.

Shareholders who sell Entitlements to which they are not entitled, or who do not hold sufficient Entitlements at the time required to deliver those Entitlements, may be required by the Company to otherwise acquire Entitlements or Shares to satisfy these obligations.

The Company and the Underwriter will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your financial adviser or other professional adviser.

Information on Australian taxation considerations is set out in **section 6.9**.

2.11 ASX quotation and trading of New Securities

The Company will apply to ASX for quotation of the New Securities to be issued under this Prospectus on ASX. Subject to approval being granted, it is expected that normal trading of the New Securities issued under the Rights Issue will commence on 13 December 2017. If ASX does not permit quotation within three months from the date of this Prospectus, none of the New Securities will be issued and all Applications will be dealt with in accordance with the Corporations Act including the refund of all Application Monies in full without interest.

Holding statements are expected to be dispatched to Eligible Shareholders on or around 12 December 2017. It is the responsibility of each Applicant to confirm their holding before trading in New Securities. Any Applicant who sells New Securities before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. The Company and the Underwriter disclaim all liability, whether in negligence or otherwise to persons who trade New Securities before receiving their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry.

2.12 Rounding and determining Entitlements

All Entitlements will be rounded up to the nearest whole number of New Shares or New Options (as applicable).

However, the Company reserves the right (in its absolute discretion) to reduce the number of New Securities allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claims prove to be overstated or if the Company considers that holdings have been split or otherwise acquired in order to take advantage of rounding of Entitlements. The Company reserves the right to aggregate holdings held by associated shareholders for the purpose of calculating Entitlements.

2.13 Ranking of New Shares

New Shares will be issued on a fully paid basis and will rank equally in all respects with Existing Shares. New Options issued under the Offer will form a new class of Options on issue.

2.14 Application Monies

All Application Monies will be held by the Company in a bank account on trust for Applicants until the New Securities are issued or, if the New Securities are not issued, until the Application Monies are returned to Applicants.

The bank account will be established and maintained by the Company solely for the purposes of depositing Application Monies and retaining those funds for as long as required under the Corporations Act.

Interest earned on the Application Monies will be for the benefit of, and will remain the property of, the Company and will be retained by the Company whether or not the allotment and issue of New Securities take place.

Any Application Monies received for more than your final allocation of New Securities will be refunded as soon as practicable after the Closing Date (except for where the amount is less than the Offer Price, in which case it will be retained by the Company).

If the New Securities are not issued to you, a cheque will be drawn and relevant Application Monies will be refunded as soon as practicable after the Closing Date.

2.15 Withdrawal of the Rights Issue

Subject to the terms of the Underwriting Agreements, the Company reserves the right to withdraw the Rights Issue at any time, in which case the Company will refund Application Monies in accordance with the Corporations Act and will do so without interest.

2.16 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement Pty Ltd (**ASX Settlement**), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Securities.

If you are broker sponsored, ASX Settlement will send you a CHESS statement. The CHESS statement will set out the number of New Shares issued to you under this Prospectus, and provide details of your holder identification number and the participant identification number of the sponsor. A CHESS allotment advice is expected to be dispatched from the Share Registry on or about 12 December 2017.

If you are registered on the issuer sponsored sub-register CHESS, your monthly statement will be dispatched by the Share Registry at the end of December 2017

and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number in relation to those New Securities.

A CHESSE statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time. However, a charge may be incurred for additional statements.

3 How to Apply

3.1 Eligible Shareholders

You should read this section in its entirety for instructions in relation to the choices available to you as an Eligible Shareholder. You should also refer to **section 1** for an overview of the Rights Issue.

Foreign Shareholders

Please refer to **sections 2.7** and **2.8** to determine whether you are an Eligible Shareholder.

3.2 Choices available

Eligible Shareholders may do any of the following:

- take up all or part of their Entitlement (refer to **section 3.3**);
- sell or transfer all or part of their Entitlement (refer to **section 3.4**); or
- do nothing (refer to **section 3.5**).

The Rights Issue is a pro-rata rights issue to Eligible Shareholders. Eligible Shareholders who take up their Entitlement in full will not have their percentage Shareholding in the Company diluted by New Shares issued pursuant to the Rights Issue. The percentage Shareholding of Eligible Shareholders who do not take up all of their Entitlement will be diluted.

For further details on the effect of the Rights Issue on the Company, please refer to **section 4**.

3.3 If you wish to take up all or part of your Entitlement

If you are an Eligible Shareholder and wish to take up all or part of your Entitlement, complete the Entitlement and Acceptance Form in respect of the number of New Securities you wish to subscribe for (if paying by cheque, bank draft or money order) and arrange for payment of the Application Monies in accordance with **section 3.6**.

Your Entitlement is set out in the accompanying Entitlement and Acceptance Form and has been calculated based on the number of Shares you held as at the Record Date. If you have more than one holding of Shares, you will receive more than one Entitlement and Acceptance Form and you will have separate Entitlements for each holding.

The Company will treat you as applying for as many New Securities as your payment will pay for in full.

3.4 If you wish to sell or transfer all or part of your Entitlement

If you wish to sell your full Entitlement on ASX

If you wish to sell or transfer all of your Entitlement on ASX, you should instruct your broker and provide details as requested from your personalised Entitlement and Acceptance Form. All sales of Entitlements on ASX must be effected by close of the Entitlement trading period, which is scheduled to be 27 November

2017. Please note you may incur brokerage if you choose to sell your Entitlement on ASX.

If you wish to sell part of your Entitlement on ASX and accept the balance

If you wish to sell part of your Entitlement through a broker and accept the balance you must:

- (a) in respect of the part of your Entitlement being taken up, complete and return the Entitlement and Acceptance Form to the Share Registry with the required Application Monies or pay via BPAY® by following the instructions set out in the Entitlement and Acceptance Form; and
- (b) in respect of your Entitlement to be sold, instruct your broker personally and provide details as requested from the Entitlement and Acceptance Form.

If you wish to sell your Entitlements other than on ASX

If you wish to transfer all or part of your Entitlement to another person other than on ASX (provided that the purchaser has an address in Australia, New Zealand, Hong Kong, Mongolia or Singapore and is not in the United States or acting for the account or benefit of a person in the United States) you must send a completed Renunciation and Transfer Form to the Share Registry. If the transferee wishes to take up all or part of your Entitlement transferred to them they must send their Application Monies together with the Entitlement and Acceptance Form related to your Entitlement transferred to them to the Share Registry.

Renunciation and Transfer Forms can be obtained by contacting the Share Registry or from a broker.

The Renunciation and Transfer Form as well as the transferee's Application Monies and the Entitlement and Acceptance Form related to your Entitlement must be received by the Share Registry no later than 5.00pm (AEDT), 4 December 2017.

Refer to **section 2.10** for more information regarding trading of Entitlements.

3.5 Allow all or part of your Entitlement to lapse

If you decide not to accept all or part of your Entitlement to New Shares, or fail to accept by the Closing Date, the part of your Entitlement not accepted will lapse. The New Shares not subscribed for will form part of the Shortfall.

You should note that if you do not take up your Entitlement, then although you will continue to own the same number of Shares, your percentage Shareholding in the Company will be reduced.

3.6 Payment and return of Entitlement and Acceptance Form

You have two payment options in order to take up all or part of your Entitlement.

Option 1: Submit your completed Entitlement and Acceptance Form together with a cheque, bank draft or money order.

To follow Option 1, you should:

- complete the personalised Entitlement and Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form, and indicate the number of New Shares you wish to subscribe for; and
- return the form to the Share Registry (address details below) together with a cheque, bank draft or money order which must be:
 - in respect of the full Application Monies (being A\$0.012 multiplied by the number of New Shares you wish to subscribe for);
 - in Australian currency drawn on an Australian branch of a financial institution; and
 - made payable to 'Aspire Mining Limited' and crossed 'Not Negotiable'.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form in full, you will be taken to have applied for the lower number of whole New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your Entitlement and Acceptance Form). Alternatively, your Application will be rejected.

The Company will also treat you as applying for as many New Shares as your cheque, bank draft or money order will pay for in full. Any amount received by the Company in excess of your final allocation of New Shares will be refunded and no interest will be paid on any Application Monies received or refunded.

Cash payments will not be accepted. Receipts for payment will not be issued.

You need to ensure that your completed Entitlement and Acceptance Form and cheque, bank draft or money order reaches the Share Registry at the following address by no later than 5.00pm (AEDT) on 4 December 2017.

Your completed Entitlement and Acceptance Form should be returned to the Company's Share Registry, Security Transfer Australia Pty Ltd, at one of the following addresses:

By hand delivery:

Western Australia

770 Canning Highway
Applecross
Perth, Western Australia

Victoria

Level 9, Suite 913
530 Little Collins Street
Melbourne, Victoria

New South Wales

Suite 511 The Trust Building
155 King Street
Sydney, New South Wales

By post:

PO Box 52
Collins Street West
Victoria 8007

Entitlement and Acceptance Forms (and payment of Application Monies) may not be accepted if received after 5.00pm (AEDT) on 4 December 2017.

Option 2: Pay via BPAY® payment

To follow Option 2, you should pay the full Application Monies, being A\$0.012 multiplied by the number of New Shares comprising your Entitlement or, if you are subscribing for only part of your Entitlement, the number of New Shares you wish to subscribe for, via BPAY® payment in accordance with the instructions set out on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique customer reference number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution.

Please note that if you choose to pay by BPAY® payment:

- you do not need to submit the personalised Entitlement and Acceptance Form but are deemed to have made the declarations and representations set out in this Prospectus and in the Entitlement and Acceptance Form;
- if you subscribe for less than your Entitlement or do not pay for your full Entitlement, you are taken to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- the Company will treat you as applying for as many New Shares as your BPAY® payment will fully pay for. Any amount received by the Company in excess of your final allocation of New Shares will be

refunded and no interest will be paid on any Application Monies received or refunded.

You need to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEDT) on 4 December 2017. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above.

Effect of returning Entitlement and Acceptance Form or making BPAY® payment

If an Application is not completed or submitted correctly it may still be treated as a valid Application. The Company's decision whether to treat an Application as valid and how to construe, amend, complete or submit an Application is final.

Returning a completed Entitlement and Acceptance Form or making a BPAY® payment will be taken to constitute a representation by the Applicant that they:

- are an Eligible Shareholder and have received, read and understood a printed or electronic copy of this Prospectus and the accompanying Entitlement and Acceptance Form and that they acknowledge the matters, and make the warranties and representations and agreements contained in this Prospectus and the Entitlement and Acceptance Form;
- agree to be bound by the terms of this Prospectus and the Constitution;
- declare that the law of any other place does not prohibit them from being given this Prospectus or making an Application for New Securities;
- declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- declare that they are the current registered holder(s) of the Shares in their name at the Record Date;
- declare that they are not associated (as that term is defined in sections 12 to 16 of the Corporations Act) with any existing Shareholder of the Company;
- declare that they will not acquire a relevant interest in issued voting shares in the Company that increases their, or someone else's, voting power in the Company either: (i) from 20% or below to more than 20%; or (ii) from a starting point that is above 20% and below 90% (for the purposes of this paragraph the terms, 'voting shares' and 'relevant interest' have the meanings given in the Corporations Act);
- declare that they are over 18 years of age and have full legal capacity and power to perform all their rights and obligations under the Entitlement and Acceptance Form;
- acknowledge that once the Entitlement and Acceptance Form is returned or a BPAY® payment made their acceptance may not be

withdrawn (including in the event that any of the Underwriting Agreements are terminated), except as allowed by law;

- agree to being issued the number of New Shares they apply for at the Offer Price (or a lower number issued in a way described in this Prospectus), together with the New Options that relate to those New Shares;
- authorise the Company to register them as the holder(s) of the New Securities allotted or granted to them;
- acknowledge that the information contained in this Prospectus is not investment advice or a recommendation that New Securities are suitable for them, given their investment objectives, financial situation or particular needs; and
- authorise the Company and its officers or agents to do anything on their behalf necessary for New Securities to be issued to them, including correcting any errors in their Entitlement and Acceptance Form or other form provided by them and acting on instructions received by the Share Registry using the contact details in the Entitlement and Acceptance Form.

3.7 Enquiries

If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant, solicitor or other professional adviser before deciding to invest.

If you have:

- questions in relation to the Existing Shares upon which your Entitlement have been calculated;
- questions on how to trade your Entitlement;
- questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Company on (08) 9287 4555 at any time from 9.00am to 5.00pm (AWST) Monday to Friday during the Offer Period or the Share Registry on 1300 992 916 (within Australia) or +61 3 9628 2200 (outside Australia) at any time from 9.00am to 8.00pm (AEDT) Monday to Friday during the Offer Period.

4 Effect of the Rights Issue on the Company

4.1 Effect on the Company's capital structure

A comparative table of changes in the capital structure of the Company as a consequence of the Rights Issue is set out below.

Shares	
Shares on issue at date of this Prospectus	1,148,128,421
Issue of New Shares under the Rights Issue	1,377,754,105
Performance Rights likely to convert into Shares before the close of the Rights Issue	3,250,000
Number of Shares after completion of the Rights Issue (undiluted)¹	2,529,132,526
Options	
Options on issue at date of this Prospectus ²	187,093,450
Issue of New Options under the Rights Issue ³	344,438,526
Issue Underwriter Options ³	344,438,526
Total number of Options on issue after completion of the Rights Issue	875,970,502
Performance Rights	
Performance Rights on issue at date of this Prospectus	48,500,000
Performance Rights likely to convert into Shares before close of the Rights Issue ⁴	(3,250,000)
Performance Rights to be issued to Directors and Company management ⁵	229,000,000
Number of Shares after completion of the Rights Issue (fully diluted)¹	3,679,353,028

Notes:

- The above figures assume that no further Shares or other securities (other than as set out in the table) are issued prior to the issue of New Securities under the Rights Issue. Shareholders should note that due to rounding of Entitlements under the Rights Issue to Shareholdings on the Record Date, among other things, the exact number of New Securities to be issued will not be known until completion of the Rights Issue.

- 2 The exercise price of each Option on issue as at the date of this Prospectus is \$0.025. The Options expire 12 months from the date of grant of the relevant Options. 54,922,250 Options expire on 14 August 2018, 23,833,333 Options expire on 24 August 2018 and 108,337,867 Options expire on 1 September 2018.
- 3 The issue of 344,438,526 Underwriter Options is being made subject to the approval of Shareholders, which is to be sought at the Company's AGM scheduled to be held on 30 November 2017. If such approval is not obtained, the Company intends to issue the maximum number of Underwriter Options permitted under Listing Rule 7.1 to the Underwriter (being approximately 152 million Underwriter Options). Refer to **section 2.6**.
- 4 3,250,000 Performance Rights are expected to vest on 30 November 2017, with Shares being issued in respect of these Performance Rights shortly after that date.
- 5 The issue of 178.5 million of these 229 million Performance Rights remains subject to the approval of Shareholders, which is to be sought at the Company's AGM scheduled to be held on 30 November 2017. Refer to **section 6.9**.

4.2 Current status of the Company's finance facilities

On or about 30 October 2017, the Company and Noble executed a binding term sheet (**Noble Term Sheet**) which sets out, amongst other things, the terms on which Noble has agreed to the prepayment of certain amounts owing under the Noble Facility.

The obligations pursuant to the Noble Term Sheet are conditional on the Company completing a minimum capital raising of A\$9 million on or before 31 December 2017 (to be satisfied by completion of the Rights Issue) and Noble entering into an agreement to irrevocably commit to take up its Entitlement in full and to sub-underwrite a portion of the Rights Issue. Assuming the Rights Issue completes, these conditions will be satisfied.

Under the Noble Term Sheet, Noble has agreed to reduce the principal outstanding under the Noble Facility by:

- **(application of Rights Issue proceeds):** A\$3.56 million through Noble taking up its Entitlement in full (A\$2.97 million) and subscribing for any Shortfall as part of its priority sub-underwriting commitments entered into with the Underwriter (up to A\$0.59 million). A further \$0.19 million is to be paid in cash to Noble through the proceeds raised from the Rights Issue, so as to result in a total reduction of A\$3.75 million in the amount owing under the Noble Facility¹; and
- **(acquisition of a further 10% interest in NMRL):** US\$1.4 million as a result of applying amounts which would otherwise be payable by Noble to acquire a further 10% equity interest in NMRL, so as to give Noble a 20% equity interest in NMRL (prior to the issue of any shares in NMRL to Gezhouba).

Further, Noble has agreed that in the event that:

- **(Gezhouba acquires 51% of NMRL):** Gezhouba acquires a 51% interest in NMRL for a minimum subscription amount of US\$4.5 million before 15 February 2018, the principal outstanding under the Noble Facility will be reduced by US\$1 million in return for issuing Noble that

¹ If Noble is not required to take up the Shortfall in full, the Company proposes to apply up the funds received under the Rights Issue so as to ensure that in total (after taking into account the funds received as a result of Noble taking up its Entitlement in full), A\$3.75 million of the amount outstanding under the Noble Facility is repaid.

number of shares in NMRL so as to give Noble a 15% interest in NMRL (after completion of Gezhouba's acquisition of a 51% interest in NMRL); or

- **(Gezhouba does not acquire interest in NMRL on agreed terms):** if Gezhouba does not acquire a 51% interest in NMRL on the terms outlined above, then the Company will have the right to prepay US\$1 million under the Noble Facility either by:
 - paying such an amount in cash before 17 August 2019; or
 - issuing to Noble such number of Shares as is equivalent to US\$1 million at a deemed issue price per Share equal to a 5% discount to the 30 day VWAP of Shares prior to the date of issue of those Shares.

The Noble Term Sheet further provides that in the event that the Nuurstei Project produces 30,000 tonnes of washed coking coal in a calendar month (**Commercial Production**), the Company will be obligated to prepay three payments of US\$600,000 each on or before the date that is 6, 12 and 18 months after the date of commencement of Commercial Production, provided always that all amounts owing under the Noble Facility are repaid on or before its maturity date of 17 August 2019.

In the event that the Nuurstei Project does not commence Commercial Production before 31 October 2018, all amounts owing under the Noble Facility are repayable by no later than 17 August 2019.

In consideration for Noble granting the Company the ability to prepay the amounts set out above, the Company has agreed that:

- **(variation of alliance agreement):** the Ovoot Alliance Agreement is to be varied so as to permit Noble to assign its marketing rights under that document to a third party with the Company's approval (such consent not to be unreasonably withheld);
- **(right of refusal):** Northern Railways LLC (a subsidiary of NMRL) will provide Noble with a first and last right of refusal over the ability to supply fuel to the service providers and construction contractors to the Erdenet to Ovoot Railway project during its construction period; and
- **(director appointment right):** as long as Noble retains at least a 5% equity interest in the Company, Noble will continue to have the right to appoint a director to the Company's board until 31 December 2022. Ms Hannah Badenach is currently Noble's representative on the Company's Board.

4.3 Effect on the Company's financial position

This section provides relevant financial information for Shareholders to consider when assessing whether to participate in the Rights Issue, including details of the potential financial impact of the Rights Issue on the Company. The impact of the Rights Issue on the Company is expected to be an increase in cash of approximately A\$16.5 million, before costs.

All financial information is presented in accordance with the measurement and recognition principles under Australian equivalents to International Financial Reporting Standards unless otherwise noted.

The unaudited pro forma consolidated statement of financial position set out below has been prepared based on audited financial statements as at 30 June 2017, adjusted for transactions post 30 June 2017 including the material movements resulting from:

- the Rights Issue;
- the Noble Debt Repayment and Restructure as described in **section 4.2** above; and
- the acquisition of the remaining equity interests in Coalridge Limited and the obligations and debt for equity transactions set out in the Company's Notice of General Meeting dated 24 June 2017 and approved by shareholders at a general meeting of Shareholders held on 27 July 2017.

The unaudited pro forma consolidated statement of financial position set out below is based on the issue of 1,377,754,105 New Shares under the Rights Issue at an issue price of A\$0.012 each to raise approximately A\$16.5 million (before costs) less estimated expenses of the Rights Issue of approximately A\$1.2 million (see below) and a Black-Scholes value of the Underwriter Options.

Pro forma Statement of Financial Position

	Notes	30 June 2017	PROFORMA 30 September 2017
CURRENT ASSETS			
Cash	1	\$412,089	\$12,006,874
Trade and other receivables (current)	2	\$180,685	\$124,729
TOTAL CURRENT ASSETS		\$592,774	\$12,131,603
NON-CURRENT ASSETS			
Deferred exploration and evaluation expenditure	3	\$35,875,408	\$36,410,514
Property, plant and equipment	4	\$189,145	\$177,191
Intangible assets	5	-	\$2,830
TOTAL NON-CURRENT ASSETS		\$36,064,553	\$36,590,535
TOTAL ASSETS		\$36,657,327	\$48,722,137

			PROFORMA 30 September 2017
	Notes	30 June 2017	
CURRENT LIABILITIES			
Trade and other payables	6	\$1,440,179	\$369,159
Loan	7	\$9,358,061	\$250,000
TOTAL CURRENT LIABILITIES		\$10,798,240	\$619,159
NON-CURRENT LIABILITIES			
Loan	8	-	2,948,104
TOTAL LIABILITIES		\$10,798,240	\$3,567,263
NET ASSETS (LIABILITIES)		\$25,859,087	\$45,154,874
EQUITY			
Issued capital	9	\$80,200,207	\$98,873,851
Reserves	10	(\$6,881,040)	(\$7,507,555)
Retained losses		(\$47,460,080)	(\$46,464,518)
Non-controlling interest		-	253,096
TOTAL EQUITY		\$25,859,087	\$45,154,874

Notes:

1. **Cash:** Adjusted for the actual unaudited general working capital and other expenditures in the 3 month period from 1 July to 30 September 2017; the Rights Issue Proceeds; the expenses of the Offer; and the A\$3.75 million reduction in the Noble Loan Facility (refer **section 4.2**).
2. **Trade and other receivables (current):** Adjusted for unaudited actual movements in the 3 months from 1 July 2017 to 30 September 2017.
3. **Deferred exploration and evaluation expenditure:** Adjusted for the unaudited actual expenditure in the 3 months from 1 July 2017 to 30 September 2017; the foreign exchange movement; and the consolidation of the 50% interest in Coalridge Limited and its subsidiaries on the exercise of the option to take ownership of the Nuurstei Coking Coal Project to 90% (**Coalridge Consolidation**) (refer to the Company's Notice of Meeting released to ASX 26 June 2017 (the **June NOM**)).
4. **Property plant and equipment:** Adjusted for the Coalridge Consolidation and depreciation over the 3 months from 1 July 2017 to 30 September 2017.
5. **Intangible assets:** Adjusted for the Coalridge Consolidation.
6. **Trade and other payables:** Adjusted for the Coalridge Consolidation; the unaudited actual movement in the 3 months from 1 July 2017 to 30 September 2017; and for the capitalisation of interest in respect to the transactions described in the June NOM.
7. **Loan (current liability):** Adjusted for the capitalisation and repayment of principal pursuant to the transactions described in the June NOM; and reclassification of amounts owing under the Noble Facility from a current liability to non-current liability.

8. **Loan (non-current liability):** Reclassified from a current liability to a non-current liability pursuant to debt restructure of the Noble Facility (refer to the June NOM); the A\$3.75 million repayment (refer to the Noble Debt Repayment and Restructure described in **section 4.2** above); and the application of the US\$1.4 million consideration on acquisition of a further 10% interest in Northern Railways applied against the Noble Facility loan (also described in **section 4.2** above).
9. **Issued capital:** Adjusted for Share issues pursuant to the Rights Issue net of the cash expenses of the Offer and in respect of a Black -Scholes valuation of the Underwriter Options.
10. **Reserves:** Adjusted for the unaudited actual foreign exchange movement in the 3 months from 1 July 2017 to 30 September 2017; the bringing to account of the Performance Rights share based payments in the 3 months from 1 July 2017 to 30 September 2017; and a share based payment reserve for a Black - Scholes value of the Underwriter Options.

Estimated expenses of the Rights Issue¹

Expense	A\$
Underwriting fees	718,652
Administration fees paid to Underwriter	315,330
ASIC fees	2,650
ASX fees	24,508
Legal fees	156,000
Printing and distribution fees	8,000
Share Registry fees	5,000
Sundry	2,000
Total	1,232,140

- 1 The table assumes the maximum of A\$16.53 million is raised under the Rights Issue, noting the Underwriting Agreement and the commitment by Noble to take up its Entitlement in full and sub-underwrite a portion of the Offer.

4.4 Control implications

Based on publicly available information, as at the date of this document, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Noble Resources International Pte Ltd	206,017,919	17.94
Spectral Investments Pty Ltd ¹	194,611,834	16.95
Bat-Erdene Khadbaasan	74,622,864	6.50

1. Held on behalf of the Lithgow Family Trust, of which Mr Neil Lithgow (Non-Executive Director of the Company) is a beneficiary.

Having regard to the underwriting arrangements entered into with the Underwriter as well as the fact that the Underwriter has entered into sub-underwriting arrangements with a large number of non-associated sub-underwriters, the Rights Issue is not expected to give rise to any control implications for the Company.

Noble has committed to the Company to take up its Entitlement in full, and has agreed with the Underwriter to sub-underwrite a portion of any Shortfall on a priority basis with those arrangements being structured such that Noble's voting power in the Company will not exceed 19.9%. As at the date of this Prospectus, Noble has voting power to 17.94% of the Company.

4.5 Dividend history

No dividends have been paid by the Company.

4.6 Directors

The Directors of the Company as at the date of this Prospectus are:

- Mr David McSweeney (Non-Executive Chairman);
- Mr David Paull (Managing Director);
- Mr Neil Lithgow (Non-Executive Director);
- Ms Hannah Badenach (Non-Executive Director); and
- Mr Gan-Ochir Zunduisuren (Non-Executive Director).

Biographies of each Director are set out on the Company's website.

The Directors intend to take up (or acquire sufficient Entitlements to take up) the following New Shares (A\$500,000 in total) and New Options under the Rights Issue:

Director	Number of New Shares	Number of New Options
Mr David Paull	4,583,333	1,145,833
Mr David McSweeney	1,666,667	416,667
Mr Neil Lithgow	25,416,667	6,354,167
Ms Hannah Badenach	8,333,333	2,083,333
Mr Gan-Ochir Zunduisuren	1,666,667	416,667

5 Key Risks

5.1 Overview

The Securities offered under this Prospectus are considered highly speculative and this Prospectus does not take into account your investment objectives, financial situation and particular needs. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

Due to the nature of the Company's business activities, increasing your investment in the Company carries with it risks reasonably expected of an investment in a business of this type. Accordingly, whilst the Directors recommend the Rights Issue, an investment in New Securities offered pursuant to this Prospectus should be considered speculative.

By their nature, the current and future activities of the Company, including exploration, appraisal, development and production activities, may be affected by a range of factors, including, but not limited to, those discussed in this Prospectus. There are a range of specific risks associated with the Company's involvement in the coal exploration and production industry. There are also numerous widespread risks associated with investing in any form of business and with investing in the share market generally. Some of these risks can be mitigated by the use of safeguards and appropriate controls, but some are outside the control of the Company and cannot be mitigated.

Coal exploration and production is a high risk endeavour and prospective investors should read the whole of this Prospectus and consider the risk factors described within it as well as consult their stockbroker, accountant, solicitor or other professional adviser in order to fully appreciate the manner in which the Company operates before deciding whether to apply for any New Shares.

A reference to the Company in this key risks section should be taken to include, where relevant, a reference to the Company's interests in its projects and assets.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed, but identifies the areas regarded as the key risks specific to an investment in New Securities.

5.2 Risk associated with an investment in the Company

The following risks have the potential to have a significant adverse impact on the Company and may affect the Company's financial position, prospects and price and value of New Securities.

Sovereign and political risks associated with operating in Mongolia

Mongolia is a young democratic country which is experiencing a transition to a market economy, and this presents a certain level of risk and uncertainty.

As Mongolia is an emerging economy it is vulnerable to market downturns and economic slowdowns elsewhere in the world and is subject to rapid change. Investing in an emerging market involves greater risk than investing in more developed markets.

Laws previously existed in Mongolia which could have restricted or limited the Company's operations or make them uneconomic. However, Investment Law changes by the Mongolian Parliament have favourably changed the investment landscape in Mongolia for foreign private enterprise. The Investment Law eliminated restrictions on private foreign investment, narrows Mongolian government approval requirements for state-owned foreign investment, offers a simpler and more open investment process, establishes a new agency to assist with the process, and provides an array of investment incentives. Under the Investment Law, any domestic or foreign investor may invest in any industry or sector without any limitation or government approval, except that any foreign state-owned enterprise (SOE) investing in more than 33 percent of an entity in the minerals, communication or financial sectors must obtain approval from the newly established Invest Mongolia Agency. A foreign SOE is defined as an entity of which a foreign sovereign state owns directly or indirectly more than 50 percent.

The Investment Law eliminates the much broader restrictions on private foreign investment in the minerals, communication and financial sectors that previously existed, removes Parliament from the approval process where foreign SOEs are involved, and ends the distinction between foreign and domestic investors. In addition, any investment tax stabilization agreements made prior to the effective date of the Investment Law will still be valid, and approval by the Invest Mongolia Agency will not apply to changes to share structure of entities in which a foreign SOE already owned a 75 percent or more interest.

Although recent changes have been favourable to the Company's planned operations, there is a risk that the Mongolian Parliament may pass further laws which may prejudicially affect the Company's operations.

Exploration success

The Company intends to conduct an exploration and sampling programme on the areas covered by the Nuurstei Project. There can be no assurance that such exploration activities will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, the ability to access land when required, industrial and environmental accidents, changing local and national government regulations and many other factors beyond the control of the Company. In the event that exploration programmes prove to be

unsuccessful this could lead to a diminution in the value of the Company's existing projects or any other tenements acquired by the Company in the future, a reduction in the cash reserves of the Company and possible relinquishment of any tenement in which the Company has an interest.

Infrastructure

The Company's projects are located in a region within Mongolia which is currently poorly serviced by infrastructure. Access to existing road and rail services is required to develop the Nuurstei Project. This access (for the required capacity) may not be available when required. The full development of the Ovoot Project requires investment and development of new rail and other infrastructure at material capital cost.

Title risks

There are a number of conditions that the Company must satisfy in order to keep its mining and exploration licences (**Licences**) in good standing. These include but are not limited to licence fee payments, annual reporting requirements (exploration, safety and environmental), annual plan filing requirements (exploration and environmental) and meeting minimum expenditure requirements. There is a risk that the Company may not be able to satisfy these requirements, in which case the Company may forfeit title to one or more of these Licences. The Licences are also subject to periodical renewal and may only be renewed a limited number of times for a limited period of time. The Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. There is a risk that renewals may not be obtained. Furthermore, the Company will require additional mining licences and permits in order to conduct mining operations in Mongolia. There can be no assurances that such licences and permits will be obtained on terms favourable to the Company or at all for the Company's future intended mining and/or exploration activities in Mongolia.

The Company's subsidiary, Northern Railways LLC, is a party to a Concession Agreement with the Government of Mongolia to progress the development of the Erdenet to Ovoot railway in northern Mongolia. The development of the Erdenet to Ovoot railway is necessary to enable the development of the Ovoot Project to its full potential. The Erdenet to Ovoot railway is proposed to connect the existing Mongolian national rail network from Erdenet to the Ovoot Project and then on to the Russian border at Arts Suuri. The development of the Erdenet to Ovoot railway currently forms part of China's 'One Belt, One Road' project. The Concession Agreement is subject to the satisfaction of a number of conditions precedent, including completion of feasibility studies, environmental studies and permits, land use agreements, commercial agreements (such as an EPC contract) and funding. The Company has recently entered into a binding MOU with Gezhouba which has agreed to complete the final feasibility study for the Erdenet to Ovoot railway project (see **section 2.1**). Northern Railways has until August 2018 to complete all of the conditions to the Concession Agreement. There is a risk that these conditions precedent may not be satisfied by that time (in circumstances where the time periods for satisfying such conditions precedent are not extended by the Mongolian Government) such that the

Concession Agreement may lapse, resulting in uncertainty regarding the future development of this rail infrastructure.

Geo Political Risks

As Mongolia is a land locked country bordering Russia and China, there are risks relating to maintaining access to markets in these two countries.

Environmental

The operations and proposed activities on the Company's projects in Mongolia are subject to Mongolian laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment. It is the Company's intention to conduct its activities to the highest standard of environmental obligations including compliance with all environmental laws. Exploration work will be carried out in a way that has minimal impact on the environment.

Commodity price volatility and exchange rate

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company.

The Company is exposed to fluctuations in the US dollar, Mongolian Tugriks and Chinese Renminbi exchange rates against the Australian dollar. The Company currently meets expenses in US dollars and Mongolian Tugriks and so is exposed to movements in these currencies. When exploration and development activities occur and operations commence, revenue, expenses and capital costs are likely to be in US dollars, Chinese Renminbi and Mongolian Tugriks and so the Company will be exposed to movements in these currencies.

Financing and funding risk

The Company's ability to effectively implement its business and operation plans in the future, to take advantage of other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds.

In particular, whilst the Company will investigate various options to fund the development of its Nuurstei Project (including coal pre-sales, contractor funding and through the potential exercise of the Options that will be on issue post-completion of the Rights Issue), there is a risk that the Company will need to raise further funds to finance the development of its projects.

Further, the Company has fully drawn down US\$6,650,000 under the Noble Facility, due for repayment on 17 August 2019. Subject to successfully raising the amount sought by the Rights Issue, the Company has agreed to reduce the amount owing to Noble to US\$1.8 million (see section 4.2 for further detail).

Notwithstanding, the loan agreements entered into by the Company contain undertakings and other provisions which, if breached, may entitle the lender to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement

of the security granted by the Company or default could also result in the loss of assets. The security granted is over 50% of the Company's interest in Coalridge Limited, which through its subsidiaries owns 90% of the Nuurstei Project.

Operating and development risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in construction, commissioning and operating plant and equipment, technical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, the ability to access land when required, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. The development of the Company's Nuurstei Project will require the construction of a wash plant and other capital items. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing working capital operating losses.

Reliance on key personnel and employees

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. No assurance can be given that there will be no detrimental impact on the Company if one or more key employees cease their employment. Additionally, Mongolia has a foreign worker quota system which may make it difficult to hire qualified personnel even where local manpower is unavailable.

5.3 Risks associated with the Rights Issue

Risks associated with the Rights Issue

There are certain risks associated with participating or not participating in the Rights Issue, including:

- your Shareholding in the Company will be diluted as a result of not taking up your full Entitlement;
- if the Company is unable to successfully complete the Rights Issue, it will have to consider alternative funding options, which may or may not be available on acceptable terms or which may result in dilution to Shareholders; and
- the Company is likely to require additional capital in the future. The Company's ability to do this at an appropriate price will be significantly impacted by market conditions and the capital raising environment at that time. Any additional equity financing will dilute Shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its

operations or scale back its exploration, development and production programs, as the case may be. This could have an adverse effect on the Company's activities and could, in extreme circumstances, affect the Company's ability to continue as a going concern.

Risks associated with trading Entitlements

Prices obtainable for Entitlements may rise and fall over the Entitlement trading period. If you sell part or all of your Entitlement at one stage in the Entitlement trading period, you may receive a higher or lower price than a Shareholder who sells their Entitlement at a different stage in the Entitlement trading period.

The ability to sell or transfer your Entitlement and the ability to obtain any value for them will be dependent upon various factors, including market conditions.

To the maximum extent permitted by law, the Company, the Underwriter and any of their respective Related Bodies Corporate, Associates, affiliates, directors, officers, employees or advisers, will not be liable including for negligence for any failure to procure a viable market during, or on any particular day in, the Entitlement trading period, on which to sell Entitlements on ASX.

If you sell, or do not take up, all or part of your Entitlement, then your percentage Shareholding in the Company will be diluted by not participating to the full extent in the Rights Issue and you will not be exposed to future increases or decreases in the Share price in respect of the New Shares which could have been issued to you had you taken up all of your Entitlement.

The tax consequences from selling your Entitlement or from doing nothing may be different. Before selling rights or choosing to do nothing in respect of your Entitlement, you should refer to **section 6.11** and seek independent tax advice.

Risks associated with obtaining shareholder approval at the AGM

The issue of Underwriter Options is subject to the approval of the Company's shareholders for the purposes of ASX Listing Rule 7.1. To the extent that that approval is not obtained, the Company proposes to issue the Underwriter the maximum number of Underwriter Options it is able to under its existing Listing Rule 7.1 capacity. In such circumstances, the Company may be required to make a cash payment to the Underwriter if it is unable to issue all of the Underwriter Options under its available Listing Rule 7.1 capacity. The amount of that cash payment is equal to the price of a New Option calculated by reference to the 5 day VWAP of those New Options over their first 5 days of trading on ASX, for every Underwriter Option that the Company has been unable to issue to the Underwriter due to the constraints imposed by Listing Rule 7.1. The payment of any such a cash amount to the Underwriter will reduce the amount which the Company has available to it to fund its activities.

5.4 General risks

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. These risk factors include, but are not limited to those summarised in the section below.

Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Market conditions

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Investors should be aware that there is a risk that the market price of the Shares may change between the date of this Prospectus and the date when Shares are issued. This means that the price paid per New Share may be either higher or lower than the market price of Shares on the date the New Shares are issued and allotted under the Offer.

Further, no guarantee can be given that the Share price will be greater than the exercise price of the New Options during the period up to the expiry date of those Options. Accordingly, there is a risk that the New Options will be out of the money during the exercise period, which would affect the value of the New Options.

Dilution

Existing Shareholders who do not participate in the Rights Issue will be diluted. Shareholders may also be diluted by the exercise of the New Options.

Force majeure

The Company's projects now, or in the future, may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Litigation Risks

The Company is exposed to possible litigation risks including tenure disputes,

environmental claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute, if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

In this regard, the Company notes that its Mongolian Rail subsidiary Northern Railways LLC has entered into a contract with China Railway 20 Bureau Group Corporation (**CR20G**) and its associated company First Survey and Design Institute (**FSDI**) to complete a feasibility study for the Erdenet to Ovoot Railway (refer to the Company's ASX announcement dated 27 January 2015). As part of those arrangements, CR20G paid FSDI an amount of US\$1.05 million (**Advance Payment**) on behalf of Northern Railways LLC, which amount was to be repaid to CR20G when FSDI completes the primary feasibility study in accordance with the agreed terms of reference. CR20G has requested the Advance Payment be repaid to it notwithstanding that FSDI has not completed the primary feasibility study in accordance with the agreed arrangements and within the agreed timeframe. The Company does not believe CR20G has any contractual right to require Northern Railways LLC to repay the Advance Payment based on the work done by FSDI to date. However, the Company notes that pursuant to the arrangements contemplated with Gezhoubu, Gezhoubu would take on any liability relating to the obligation to repay this Advance Payment if Gezhoubu acquires a 51% interest in NMRL (see **section 2.1** above for further details).

Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Mongolia may change, adversely affecting the Company's operations and financial performance.

Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its future operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute Shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

Insurance risks

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material

adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive.

Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

Taxation

The acquisition and disposal of Shares will have tax consequences which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for New Shares under this Prospectus.

Competition risk

The industry in which the Company is involved is subject to domestic and global competition. Although the Company undertakes all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business. There can be no assurance that the Company can compete effectively with these companies.

Discretion in use of capital

The Board and the Company's management have discretion concerning the use of the Company's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the Company's financial and/or operational performance may suffer.

Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (**AASB**). Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in the Company's financial statements.

General economic conditions

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates and exchange rates, supply and

demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and financial performance and financial position.

The Company's future possible revenues and Share prices may be affected by these factors, which are beyond the control of the Company.

5.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of its Securities.

Therefore, the New Securities carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Securities.

Eligible Shareholders should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Securities.

6 Additional Information

6.1 Continuous disclosure

The Company is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Broadly, these obligations require:

- the preparation of yearly and half-yearly financial statements and a report on the Company's operations during the relevant accounting period together with an audit or review report on those operations by the Company's auditor; and
- the Company to notify ASX immediately of any information (subject to certain exceptions) of which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its securities. That information is available to the public from the ASX.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office.

The information included in this Prospectus provides information about the Company's activities current as at 9 November 2017. It is information in a summary form and does not purport to be complete. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements including the Company's annual report for the financial year ended 30 June 2017, lodged with ASX on 24 October 2017, and the Company's annual reports for the financial years ended 30 June 2015 and 30 June 2016 lodged with ASX on 30 September 2015 and 25 October 2016, respectively, the Company's full financial year results for the 12 month period ended 30 June 2017 lodged with ASX on 28 September 2017 and the announcement to the ASX on 3 November 2017 regarding the Rights Issue and the Company's other announcements to ASX available at www.asx.com.au.

The Company will provide, free of charge, a copy of each of the following continuous disclosure documents to any person who makes a written request for it during the Offer Period:

- the Company's annual report for the period ending 30 June 2017 (being the Company's most recent annual financial report lodged with ASIC before the date of this Prospectus);
- the Company's audited financial statements for the financial year ended 30 June 2017;
- the Company's half-year results for the period ending 31 December 2016; and
- any of the other continuous disclosure documents released to ASX by the Company after lodgement of the Company's annual report for the period ending 30 June 2017 on 24 October 2017 and before the lodgement of this Prospectus with ASIC:

Document	Date
Addendum to Notice of Annual General Meeting	8/11/2017
Appendix 3B	7/11/2017
Transformational Equity Raising Presentation	3/11/2017
Reinstatement to Official Quotation	3/11/2017
Transformational Recapitalisation	3/11/2017
Voluntary Suspension	31/10/2017
Trading Halt	30/10/2017
Notice of Annual General Meeting/Proxy Form	27/10/2017
Quarterly Cashflow Report	27/10/2017
Quarterly Activities Report	27/10/2017
Appendix 4G and Corporate Governance Statement	24/10/2017

The above documents may also be obtained from the Company's website (www.aspiremininglimited.com) or ASX's website (www.asx.com.au). The Company's ASX code is 'AKM'.

All written requests for copies of the above documents should be addressed to:

Company Secretary
Aspire Mining Limited
69 Kewdale Road
Welshpool WA 6106

6.2 Market price of Shares on ASX

The highest and lowest closing sale price of Shares on the ASX during the 3 months immediately preceding the date of this Prospectus, and the last sale

price on the last Trading Day of Shares on ASX before this Prospectus was lodged with ASIC, are set out below.

Highest	\$0.023	1,4 and 5 September 2017
Lowest	\$0.015	3 and 7 November 2017
Last price*	\$0.017	8 November 2017

* Closing price of Shares on ASX on the Trading Day immediately prior to lodgement of the Prospectus.

6.3 Rights and liabilities attaching to New Shares

New Shares will be fully paid ordinary shares in the Company and will rank equally with the Shares already on issue.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to Shares. Full details of the rights and liabilities attaching to the Shares are contained in the Constitution and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the common law. The Constitution is available on the Company's website at www.aspiremininglimited.com or for inspection free of charge at the Company's registered office during normal business hours.

General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

Meetings and Notice

Each Shareholder is entitled to receive notice of and to attend general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the ASX Listing Rules.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in

respect of partly paid Shares, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited).

Dividend rights

Subject to and in accordance with the Corporations Act, the ASX Listing Rules, the rights of any preference Shareholders and the rights of the holders of any Shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit. Such a dividend reinvestment plan may provide for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall, either pursuant to the Constitution or any law, be entitled or obliged to retain or apply to the payment of the subscription price of Shares.

Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

Shareholder liability

As the New Shares issued, and those issued upon the exercise of the New Options, will be fully paid shares they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal

requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

Future increase in capital

The issue of any further new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

Variation of rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice, specifying the intention to propose the resolution as a special resolution, must be given.

ASX quotation of New Shares

Application for Official Quotation of the New Shares (and the New Options) will be made in accordance with the ASX Listing Rules. The fact that ASX may agree to grant Official Quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or its Securities.

6.4 Rights and liabilities attaching to New Options and Underwriter Options

Set out below are details of the rights and liabilities attaching to the New Options and Underwriter Options. In certain circumstances, New Options and Underwriter Options are regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the common law. The Constitution is available on the Company's website at www.aspiremininglimited.com or for inspection free of charge at the Company's registered office during normal business hours.

For the purposes of this section 6.4, a reference to "Option" means a reference to the New Options and the Underwriter Options (as applicable).

Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option. The Options held by each holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.

Exercise Price

Subject to the rights of holders where there is a reconstruction of capital (see below), the amount payable upon exercise of each Option will be \$0.018 (or 1.8 cents) (**Exercise Price**).

Expiry Date

Each Option will expire at 5.00 pm (WST) on the day that falls 24 months from the date of grant of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

Quoted

The Company will apply for a quotation of the Options on ASX. If the ASX does not grant official quotation the Options will be unlisted.

Holding Statement

The Company must give the holder of each Option a holding statement stating:

- the number of Options issued to each holder;
- the Exercise Price of the Options; and
- the date of issue of the Options.

Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

Timing of issue of Shares on exercise

Within 10 Business Days after the Exercise Date, the Company will:

- issue and allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options; and
- deliver a holding statement with respect to such Shares within the timeframe required by the ASX Listing Rules.

Shares issued on exercise

Shares issued on exercise of the Options will:

- rank equally in all respects (including, without limitation, rights relating to dividends) with other issued shares;
- be issued credited as fully paid;
- be duly authorised and issued by all necessary corporate action; and
- be allotted and issued free from all liens, charges and encumbrances whether known about or not, including statutory and other pre-emption rights and any transfer restrictions.

Quotation of shares issued on exercise

The Company will apply for quotation of all shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

Part exercise

If the holder of the Options exercises less than the total number of Options registered in the holder's name, the Company must issue the holder of Options a new holding statement for the remaining number of Options held by the holder.

Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Absolute holder

The Company is entitled to treat the registered holder of an Option as the absolute holder of that Option and is not bound to recognise any equitable or other claim to, or interest in, that Option on the part of any person other than the

registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

6.5 ASX waivers and ASIC relief

The Company has confirmed that no waivers from the ASX Listing Rules are required in relation to the Rights Issue. The Company is not relying on any specific ASIC relief in order to conduct the Rights Issue.

6.6 Privacy

By filling out the Entitlement and Acceptance Form to apply for New Shares or paying your Application Monies by BPAY®, you are providing personal information to the Company.

The *Privacy Act 1988* (Cth) regulates the way the Company collects, uses, disposes, keeps secure and gives people access to their personal information.

The Company is committed to respecting the privacy of your personal information.

The Company collects, holds and uses that personal information in order to process your Application and to administer your Shareholding in the Company, including:

- the Company maintaining a register of Shareholders in accordance with the Corporations Act;
- the Company paying dividends to you;
- the Company communicating with you, such as sending you annual reports, notices of meetings and any other document which the Company wishes to send to you as a Shareholder;
- the Company carrying out general administration including monitoring, auditing, evaluating, modelling data, dealing with complaints and answering queries; and
- the Company complying with its legal and regulatory obligations.

If you do not provide the information requested in the Entitlement and Acceptance Form, the Company may not be able to process or accept your Application for New Shares.

Your personal information may also be provided to other members of the Aspire Group and to the Company agents or service providers on the basis that they deal with such information in accordance with the requirements of the *Privacy Act 1988* (Cth).

The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be disclosed are:

- the Share Registry for ongoing administration of the share register (the Share Registry is contracted by the Company to maintain the register);

- printers and mail houses for the purposes of preparation and distribution of documents to you and for handling mail;
- professional service providers such as lawyers, accountants, auditors, consultants, and other professional advisers for the purpose of administering, and advising on, the New Securities and for any associated actions; and
- other companies where the Company believes it is more efficient to outsource services or functions to those companies.

Your personal information may be provided to certain third parties. The types of third parties that may be provided with your personal information, and the circumstances in which your personal information may be disclosed, are:

- your financial adviser or broker (other than your tax file number information) in connection with services provided to you by your adviser or broker;
- government, regulatory authorities or other people when permitted or required by law, such as ASIC or people inspecting the share register in accordance with the Corporations Act;
- the ASX; and
- in certain circumstances and with safeguards to respect your privacy, potential or actual purchasers of an interest in the Company or the Company's business or any part thereof.

You have the right to gain access to your personal information held by, or on behalf of, the Company, subject to certain exemptions under the law. A reasonable charge for providing access to personal information may be payable for providing access to personal information. You can request access to your personal information by telephoning or writing to the Company Secretary as follows:

Company Secretary
Aspire Mining Limited
69 Kewdale Road
Welshpool WA 6106
Telephone: +61 8 9287 4555

6.7 Consents

Each of the parties, referred to as consenting parties below:

- does not make or offer the Rights Issue;
- has not authorised, and has not caused the issue of this Prospectus;
- has not made any statement in this Prospectus or any statement on which a statement made in this Prospectus is based other than in the case of the Underwriter and the Directors who have consented to the inclusion of statements in this Prospectus noted to have been made by them or to be based on statements made by them;

- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus; and
- has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named.

Role	Consenting parties
Share Registry	Security Transfer Australia Pty Ltd
Underwriter	Patersons Securities Limited
Legal adviser to the Company	Corrs Chambers Westgarth

6.8 Directors', experts' and advisers' consents and interests

Other than as set out below or elsewhere in this Prospectus no:

- Director or proposed Director of the Company;
- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- promoter of the Company,

holds at the date of this Prospectus or held at any time during the last two years, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the offer of New Securities under the Rights Issue; or
- the offer of New Securities under the Rights Issue.

Directors' Relevant Interests in Securities

As at the date of this Prospectus, the Directors had the following Relevant Interests in the Securities:

Director	Number of Shares	Number of Options	Number of performance rights
Mr David Paull ¹	20,252,792	1,000,000	2,000,000
Mr David McSweeney ²	19,466,962	500,000	Nil

Director	Number of Shares	Number of Options	Number of performance rights
Mr Neil Lithgow ³	194,611,834	10,000,000	Nil
Ms Hannah Badenach	750,000	Nil	Nil
Mr Gan-Ochir Zunduisuren	41,292,203	Nil	Nil

¹ Mr David Paull is a director of Red Island Resources Limited, a public unlisted company, which holds 8,350,000 Shares in the Company and a director of Paulkiner Pty Ltd, which holds 916,000 Shares to which David Paull has an interest. Mr Paull is also a director and a beneficiary of 2R's Pty Ltd <Paull Family Trust A/C> which holds 10,986,792 Shares in the Company.

² 6,783,962 Shares are held by The McSweeney Family Trust, 400,000 Shares by Magmatech Pty Ltd ATF Magmatech Unit Trust, 9,083,000, Shares by Brookman Resources Pty Ltd ATF <The David McSweeney Superannuation Fund> and 2,500,000 Shares are held by David McSweeney Consulting Pty Ltd. Mr McSweeney is a shareholder of the companies and/or beneficiary of these trusts and superannuation fund. 200,000 Shares are owned in Mr McSweeney's own name.

³ Mr Neil Lithgow is a director and beneficiary of Spectral Investments Pty Ltd <the Lithgow Family Trust> which holds 194,611,834 Shares in the Company.

The Directors intend to take up (or acquire sufficient Entitlements so as to be able to take up) the following New Shares and New Options under the Rights Issue (being \$500,000 in total):

Director	Number of New Shares	Number of New Options
Mr David Paull	4,583,333	1,145,833
Mr David McSweeney	1,666,667	416,667
Mr Neil Lithgow	25,416,667	6,354,167
Ms Hannah Badenach	8,333,333	2,083,333
Mr Gan-Ochir Zunduisuren	1,666,667	416,667

Remuneration

Directors are entitled to be remunerated by salary or other employment related benefits in accordance with their employment agreements. The table below sets out the remuneration paid to the Directors for the two complete financial years prior to the date of this Prospectus and for the current financial year until the date of this Prospectus.

Note the remuneration is denominated and paid in Australian dollars.

Director	Remuneration for year ended 30 June 2016	Remuneration for year ended 30 June 2017	Remuneration from 1 July 2017 to the date of Prospectus
Mr David Paull	\$256,130	\$422,734	\$70,016
Mr David McSweeney	\$8,750	\$82,500	
Mr Neil Lithgow	\$6,750	\$66,000	
Ms Hannah Badenach			
Mr Gan-Ochir Zunduisuren		\$33,000	

Note: The above remuneration includes the accounting value of Performance Rights bought to account over the period between grant and vesting of those Performance Rights. The non-executive Directors have agreed to not be remunerated in cash for their services until the Company has the financial ability to meet director fees. As an employee of Noble (but not a director of Noble), Ms Badenach has elected not to receive any remuneration in connection with her services to the Company during her tenure.

Conflicts of interest

Other than Ms Hannah Badenach, who has an interest in the Rights Issue through her role as a director of Noble, no Directors are subject to any conflicts of interest.

6.9 Performance rights

The Company is proposing to issue up to 229 million Performance Rights to Directors and management of the Company. The issue of 178.5 million of these Performance Rights is subject to the approval of Shareholders at the Company's 2017 AGM scheduled to be held on 30 November 2017. The purpose of the issue of these Performance Rights to the Company's Directors is to assist in their reward and retention, and to align the interests of Directors with shareholders.

Further details regarding the terms of the proposed Performance Rights to be issued to Directors, including the conditions to the vesting of such rights, are set out in the Addendum to the Notice of Annual General Meeting released to the ASX on 8 November 2017.

6.10 Litigation and regulatory issues

Other than as set out elsewhere in this document, the Company and the Directors are not aware of any litigation or regulatory issues currently impacting

the Company or its operations.

6.11 Australian taxation implications

Taxation implications will vary depending on the specific circumstances of individual Shareholders. You should also consider the tax implications of selling your Entitlement (for example capital gains tax). Further, tax rules or their interpretation in relation to equity investments may change following the completion of the Rights Issue or Shortfall. You should obtain your own professional advice before concluding on the particular taxation implications that will apply to you if you participate in the Rights Issue or Shortfall.

6.12 Consents to lodgement

Each Director has given, and has not withdrawn, their consent to the issue of this Prospectus and to its lodgement with ASIC under the Corporations Act.

6.13 Governing law

This Prospectus and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia, Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia.

7 Glossary

Term	Meaning
A\$	Australian dollars.
AEDT	Australian Eastern Daylight Time.
AGM	The annual general meeting of the Company scheduled to be held on 30 November 2017.
Applicants	An Eligible Shareholder who submits an Application together with Application Monies (each an Applicant).
Application	An application for New Shares under the Rights Issue made by an Applicant in an Entitlement and Acceptance Form or by payment via BPAY® or such other form as approved by the Company.
Application Monies	Monies received from persons applying for New Securities under the terms of the Rights Issue.
ASIC	Australian Securities & Investments Commission.
Aspire Group	The Company and its Related Bodies Corporate.
Associates	The meaning given in the Corporations Act.
ASX	ASX Limited ACN 008 624 691, or the market operated by it, as the context requires.
ASX Listing Rules or Listing Rules	The official listing rules of ASX, as amended or waived by ASX from time to time.
ASX Settlement	ASX Settlement Pty Limited ACN 008 504 532.
ASX Settlement Operating Rules	The settlement and operating rules of ASX Settlement.
AWST	Australian Western Standard Time.
Board	The board of Directors of the Company.
Business Day	The meaning given in the ASX Listing Rules.
CHESS	The Clearing House Electronic Subregister System operated by ASX Settlement.
Closing Date	5.00pm (AEDT) on 4 December 2017 (or such date as varied by the Company with the agreement of the Underwriter). Note that Applications made via BPAY® must be received by the Share

Term	Meaning
	Registry by 5.00pm (AEDT) on 4 December 2017. See section 3.6 for further details.
Company or Aspire	Aspire Mining Limited ACN 122 417 243 and where the context requires, includes its wholly owned subsidiaries.
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Eligible Shareholder	The meaning given in section 2.7 .
Entitlement	The number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Rights Issue, in each case being six (6) New Shares for every five (5) Existing Shares held by the Eligible Shareholder on the Record Date, together with one (1) attaching New Option for every four (4) New Shares subscribed for. Each Shareholder's Entitlement is set out in the Entitlement and Acceptance Form accompanying this Prospectus.
Entitlement and Acceptance Form	A personalised acceptance form in the form accompanying this Prospectus pursuant to which Applicants may apply for New Shares.
Existing Shares	Shares issued before 7.00pm (AEDT) on the Record Date.
Gezhouba	China Gezhouba Group International Company Limited, a company registered in China.
Ineligible Shareholders	Shareholders who are registered as holders of Existing Shares but to whom the Rights Issue is not being made as set out in section 2.8 .
New Option	An attaching Option offered on the basis of, and under the terms of, the Rights Issue, the rights and liabilities of which are summarised in section 6.4 .
New Securities	The New Shares, the New Options and, where applicable, the Underwriter Options.
New Share	A Share offered for subscription on the basis of, and under the terms of, the Rights Issue, the rights and liabilities of which are summarised in section 6.3 .
Noble	Noble International Resources Pte Ltd.
Noble Debt Restructure and Repayment	The transactions contemplated by the Noble Term Sheet, a summary of which is contained in section 4.2 .

Term	Meaning
Noble Facility	The US\$6.65 million loan facility provided by Noble to Ovoot Coking Coal Pte Ltd (a wholly owned subsidiary of the Company) pursuant to an agreement dated 21 February 2013 (as amended).
Noble Term Sheet	Has the meaning given to that term in section 4.2 .
NMRL	Northern Mongolian Railways Limited, which as at the date of this document is owned 90% by Aspire and 10% by Noble. NMRL owns 100% of Northern Railways Pte Ltd (NRPL) and NRPL in turn owns 100% of Northern Railways LLC.
Nuurstei Project	The Nuurstei Coking Coal Project situated in the Orkhon-Selenge coal basis in northern Mongolia, a project that is 90% owned by Aspire.
Offer	The offer of New Securities pursuant to this Prospectus.
Offer Period	The period from the Opening Date to the Closing Date (inclusive of those dates).
Offer Price	A\$0.012, the price payable for one New Share under the Rights Issue.
Official Quotation	Means official quotation of Securities on the ASX.
Option	An option to subscribe for a Share in the capital of the Company.
Ovoot Project	The Ovoot Coking Coal Project situated in north-western Mongolia, a project that is 100% owned by Aspire.
Ovoot Alliance Agreement	The Alliance Agreement dated 30 November 2011 (as amended) in relation to the logistics and marketing of coking coal produced from the Ovoot Coking Coal Project.
Performance Rights	A right to be issued a Share without the requirement to pay any exercise price.
Prospectus	This document, dated 9 November 2017.
Record Date	The date for determining the Entitlement of Shareholders under the Rights Issue, being 7.00pm (AEDT) on 15 November 2017.
Relevant Interest	The same meaning as in section 9 of the Corporations Act.
Rights Issue	The offer of New Shares and New Options pursuant to this Prospectus.
Rights Issue Proceeds	The proceeds received by the Company as a result of the New Shares and New Options the subject of the Rights Issue.

Term	Meaning
Securities	Shares and Options.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	Security Transfer Australia Pty Ltd.
Shareholder	The registered holder of a Share.
Shareholding	The Shares held by a Shareholder of the Company.
Shortfall	Those New Shares and New Options not validly applied for by Shareholders under their Entitlement together with any New Shares and New Options that would have been offered to Ineligible Shareholders under the Rights Issue if they had been entitled to participate in the Rights Issue.
Trading Day	The meaning given in the ASX Listing Rules.
Underwriter	Patersons Securities Limited ACN 008 896 311, the underwriter of the Rights Issue.
Underwriting Agreement	The underwriting agreement dated 9 November 2017 between the Company and Patersons, a summary of which is contained in section 2.6 .
Underwriter Options	A total of 344,438,526 Options that the Company has agreed to issue on the same terms as the New Options to the Underwriter under the Underwriting Agreement, subject to the approval of Shareholders being obtained at the Company's AGM, the rights and liabilities of which are summarised in section 6.4 .
voting power	The meaning given in section 610 of the Corporations Act.
VWAP	Volume weighted average price.

Authorisation

This Prospectus is authorised by each Director of the Company under section 720 of the Corporations Act and signed by David Paull on 9 November 2017 under section 351 of the Corporations Act.

Signed for and on behalf of
Aspire Mining Limited
by



David Paull
Managing Director

Corporate Directory

Board of Directors

Mr David McSweeney (Non-Executive Chairman)

Mr David Paull (Managing Director)

Mr Neil Lithgow (Non-Executive Director)

Ms Hannah Badenach (Non-Executive Director)

Mr Gan-Ochir Zunduisuren (Non-Executive Director)

Company Secretary

Mr Philip M Rundell

Website

www.aspiremininglimited.com

Registered Office

69 Kewdale Road
Welshpool
Western Australia 6106

Share Registry

Security Transfer Australia
770 Canning Highway
Applecross
Western Australia 6153

Underwriter

Patersons Securities Limited
Level 23, Exchange Tower
2 The Esplanade
Perth
Western Australia 6000

Legal adviser to the Company

Corrs Chambers Westgarth
Brookfield Place Tower 2
123 St Georges Terrace
Perth, Western Australia 6000